

PENNZENERGY

P.O. Box 4616
Houston, Texas 77210-4616
713-546-6000

March 5, 1999

Roy Johnson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

re: Unorthodox Locations Application in Raton Basin

Dear Roy:

In accordance with Division Rule 104.F(3), please consider this correspondence as an application for administrative approval of proposed unorthodox gas well locations. Said proposed wells to be located within the Vermejo Ranch, in the Raton Basin in Colfax County, New Mexico.

Please refer to the enclosed map showing Vermejo Ranch within Colfax County. As you know, PennzEnergy (formerly Pennzoil Company) sold the surface of the ranch to Turner Enterprises in 1996. PennzEnergy retained subsurface oil and gas rights at all depths. There exists an agreement between PennzEnergy and Turner Enterprises that allows PennzEnergy to search for and produce hydrocarbons. The agreement is called the "Minerals Extraction Agreement". Also shown on the map are PennzEnergy's pilot wells drilled 1989 through 1991 and approved proposed well locations staked in 1998. All subsurface oil and gas interests are common throughout this lease.

PennzEnergy requests approval for non-standard locations throughout the lease as defined by ranch boundary. In agreement with Division Rule 104.F (1), these non-standard locations would be no closer than 660 ft. to the lease boundary, nor 10 ft. to any section lines, quarter-quarter section line, or subdivision inner boundary. The reasons cited for the request are based on environmental and topographical considerations. In concurrence with the wishes of the landowner, PennzEnergy wants to locate operations that minimize the disturbance of wildlife habitat and to preserve the scenic beauty of the area. As for topographic considerations, the operator wants to minimize dirtwork construction activity by avoiding rugged terrain when practical.

This request for blanket approval of non-standard locations within the lease boundary defined by the Vermejo Ranch is inclusive for all subsurface oil and gas horizons including Raton Coalbeds, Vermejo Coalbeds, Pierre Shale, Niobrara and Dakota Sand formations.

Respectfully,



Don Lankford
Senior Petroleum Engineer

Filed For Record 9-23-96 at 9:26 AM Barbara Castillo, Recorder**NONPARTICIPATING ROYALTY DEED**

Vermejo Park Corporation, a Delaware corporation, and Vermejo Minerals Corporation, a Delaware Corporation (individually and collectively, "Grantor"), whose street address is 700 Milam, 31st Floor, Houston, Texas 77002, for good and valuable consideration paid by Vermejo Park L.L.C., a Georgia Limited Liability Company (herein called "Grantee"), whose street address is One CNN Center, 14th Floor, North Tower, Atlanta, GA 30303, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, BARGAIN, SELL and CONVEY unto Grantee, its successors and assigns, an undivided 2% of 8/8ths perpetual nonparticipating royalty interest (the "Royalty") in and to all oil, gas (including but not limited to coal seam and/or coalbed gas) and other liquid or gaseous hydrocarbons, and all substances produced in association therewith, produced, saved and sold by Grantor, its successors and assigns, from the lands described in Exhibit A to this Deed, or from lands pooled or unitized therewith (the "Royalty Lands"), or used off the Royalty Lands, unless used to benefit the Royalty Lands.

The value of the Royalty shall be equal to 2% of all consideration received at the point of sale for the sale of said minerals in an arm's-length sale to an unaffiliated party, free of all costs and expenses except ad valorem, severance or other tax based upon production. Grantor covenants that the consideration received at the point of sale shall not be less than the market value of the minerals produced, saved and sold, and Grantor shall market such production on terms no less favorable than it markets its own production. Payments attributable to the Royalty shall be paid to Grantee in accordance with the New Mexico Proceeds Act or the Colorado equivalent, whichever is applicable.

From time to time, Grantee shall have the right, but not the obligation, to take all or any portion of its share of production in kind at any location on the Royalty Lands.

The Royalty shall burden all interests now owned or hereafter acquired by Grantor in the Royalty Lands. The Royalty shall not include any cash bonus received by Grantor at the time of executing any future oil and gas lease, nor any rental paid for the privilege of deferring commencement of development under any future lease.

Grantor, its successors and assigns, reserve the exclusive right to execute leases for the production or extraction of the minerals subject to the Royalty, provided that Grantor, its successors and assigns, in exercising said leasing power, shall be deemed to owe a fiduciary duty to Grantee, its successors and assigns. Grantor warrants title to the Royalty to Grantee, its successors and assigns, and shall defend the Royalty against any claim made by, through or under Grantor, but not otherwise. The provisions of this Deed shall run with the mineral estate subject to the Royalty, and shall be binding upon the successors and assigns of Grantor.

IN WITNESS WHEREOF, Grantor has executed and delivered this Deed effective September 20, 1996.

Attest:

By:


Joan M. McNew,
Assistant Secretary

VERMEJO MINERALS CORPORATION

By:

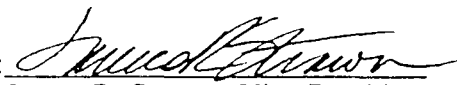

James R. Strawn, Vice President

EXHIBIT A
TO NONPARTICIPATING ROYALTY DEED

**COSTILLA TRACT, TAOS COUNTY, AND WESTERLY PORTION OF OLD VERMEJO TRACT
 (BARTLETT RANCH), COLFAX COUNTY**

A tract of land being part of the Sangre de Cristo Grant and the Beubien and Miranda (Maxwell) Grant in both Colfax and Taos Counties New Mexico, being more particularly described as follows:

Beginning at a point marking the 105 mile corner on the State line between New Mexico and Colorado , marked by a granite stone with a Brass Cap in top of the stone stamped ' THE SUPREME COURT OF THE UNITED STATES ' MILE CORNER NO. 105 NEW MEXICO AND COLORADO, 1868 - 1925, and having New Mexico State Plane Coordinates NAD 83, East Zone of North = 2,181,461.6604, East = 363,693.1868,

THENCE South 03 degrees 16 minutes 34 seconds West for a distance of 34602.77 feet to a POINT being the NW corner of the tract of land described in Deed Book "T", page 333;

THENCE South 00 degrees 48 minutes 03 seconds East for a distance of 1980.15 feet and the West line of the tract described in Deed Book "T", page 333 to a POINT;

THENCE South 30 degrees 32 minutes 43 seconds East for a distance of 5321.51 feet along the west line of the tract described in Deed Book "T", page 333 to a POINT;

THENCE South 20 degrees 46 minutes 43 seconds East for a distance of 7725.70 feet along the West line of the tract described in Deed Book "T", page 333 to a POINT;

THENCE North 89 degrees 13 minutes 08 seconds East for a distance of 1320.10 feet along the West line of the tract described in Deed Book "T", page 333 to a POINT;

THENCE South 34 degrees 29 minutes 47 seconds East for a distance of 4759.40 feet to a PIPE with CAP making the Southwest Corner of the tract of land described in Deed Book "T", page 333;

THENCE South 44 degrees 09 minutes 05 seconds West for a distance of 40363.82 feet to an USFS ALUMCAP/API18 ,marking a corner of the Valle Vidal Tract;

THENCE North 31 degrees 44 minutes 31 seconds West for a distance of 737.13 feet along the Valle Vidal Tract to an USFS ALUMCAP/API7;

THENCE North 69 degrees 15 minutes 09 seconds West for a distance of 726.76 feet along the Valle Vidal Tract to an USFS ALUMCAP/API6;

THENCE North 74 degrees 16 minutes 15 seconds West for a distance of 533.30 feet along the Valle Vidal Tract to an USFS ALUMCAP/API5;

THENCE South 87 degrees 29 minutes 59 seconds West for a distance of 536.52 feet along the Valle Vidal Tract to an USFS ALUMCAP/API4;

THENCE North 54 degrees 41 minutes 53 seconds West for a distance of 1680.35 feet along the Valle Vidal Tract to an USFS ALUMCAP/API3;

THENCE North 55 degrees 18 minutes 56 seconds West for a distance of 2368.32 feet along the Valle Vidal Tract to an USFS ALUMCAP/API2;

THENCE North 70 degrees 57 minutes 24 seconds West for a distance of 717.35 feet along the Valle Vidal Tract to an USFS ALUMCAP/API1;

THENCE North 75 degrees 48 minutes 55 seconds West for a distance of 449.12 feet along the Valle Vidal Tract to an USFS ALUMCAP/API0;

THENCE North 57 degrees 41 minutes 26 seconds West for a distance of 2309.92 feet along the Valle Vidal Tract to an USFS ALUMCAP/AP9;

THENCE North 39 degrees 08 minutes 50 seconds West for a distance of 1430.97 feet along the Valle Vidal Tract to an USFS ALUMCAP/AP8;

THENCE North 56 degrees 32 minutes 41 seconds West for a distance of 564.89 feet along the Valle Vidal Tract to an USFS ALUMCAP/AP7;

THENCE North 56 degrees 42 minutes 54 seconds West for a distance of 2281.28 feet along the Valle Vidal Tract to an USFS ALUMCAP/AP6;

THENCE North 66 degrees 17 minutes 26 seconds West for a distance of 319.94 feet along the Valle Vidal Tract to an USFS ALUMCAP/AP5;

THENCE North 60 degrees 57 minutes 18 seconds West for a distance of 359.46 feet along the Valle Vidal Tract to an USFS ALUMCAP/AP4;

THENCE North 49 degrees 36 minutes 10 seconds West for a distance of 311.43 feet along the Valle Vidal Tract to an USFS ALUMCAP/AP3;

THENCE North 61 degrees 15 minutes 11 seconds West for a distance of 357.17 feet along the Valle Vidal Tract to an USFS ALUMCAP/AP2;

THENCE North 42 degrees 27 minutes 03 seconds West for a distance of 285.97 feet along the Valle Vidal Tract to an USFS ALUMCAP/AP1;

THENCE North 37 degrees 07 minutes 06 seconds West for a distance of 4959.62 feet along the Valle Vidal Tract to an USFS ALUMCAP;

THENCE North 63 degrees 14 minutes 10 seconds West for a distance of 5369.89 feet to a SET REBAR/CAP;

THENCE North 57 degrees 08 minutes 54 seconds West for a distance of 8791.82 feet along the Valle Vidal Tract to a SET REBAR/CAP;

THENCE North 88 degrees 56 minutes 05 seconds West for a distance of 8402.68 feet along the Valle Vidal Tract to a SET REBAR/CAP;

THENCE North 38 degrees 57 minutes 16 seconds West for a distance of 24333.28 feet along the Valle Vidal Tract to the NE COR. of the VALLE VIDAL;

THENCE South 87 degrees 59 minutes 36 seconds West for a distance of 43495.27 feet to along the Valle Vidal Tract to the NW COR. of the VALLE VIDAL with a Lat = North 36 degrees 52 minutes 20.800815 seconds and Long. = West 105 degrees 20 minutes 17 seconds;

The following 181 calls are on New Mexico Grid Bearing and Distance for New Mexico East Zone being 00 degrees 35 minutes 26 seconds West of an average True North Bearing,

THENCE North 10 degrees 05 minutes 49 seconds East for a distance of 17669.89 feet to a REBAR/CAP;

THENCE South 88 degrees 56 minutes 50 seconds West for a distance of 173.67 feet to a REBAR/CAP;

THENCE North 71 degrees 29 minutes 40 seconds West for a distance of 167.63 feet to a REBAR/CAP;

THENCE North 31 degrees 30 minutes 34 seconds West for a distance of 231.63 feet to a REBAR/CAP;

THENCE North 52 degrees 19 minutes 11 seconds West for a distance of 168.01 feet to a REBAR/CAP;

THENCE North 23 degrees 37 minutes 25 seconds West for a distance of 143.18 feet to a REBAR/CAP;

THENCE North 34 degrees 11 minutes 48 seconds West for a distance of 527.20 feet to a REBAR/CAP;

THENCE North 47 degrees 12 minutes 54 seconds West for a distance of 60.21 feet to a REBAR/CAP;

THENCE North 00 degrees 59 minutes 46 seconds West for a distance of 400.29 feet to a REBAR/CAP;

THENCE North 09 degrees 51 minutes 07 seconds West for a distance of 183.38 feet to a REBAR/CAP;

THENCE North 08 degrees 27 minutes 26 seconds East for a distance of 196.60 feet to a REBAR/CAP;

THENCE North 61 degrees 59 minutes 38 seconds West for a distance of 88.55 feet to a REBAR/CAP;

THENCE North 14 degrees 47 minutes 38 seconds West for a distance of 72.80 feet to a REBAR/CAP;
THENCE North 27 degrees 43 minutes 00 seconds East for a distance of 100.63 feet to a REBAR/CAP;
THENCE North 42 degrees 03 minutes 58 seconds East for a distance of 99.25 feet to a REBAR/CAP;
THENCE North 27 degrees 43 minutes 00 seconds East for a distance of 134.17 feet to a REBAR/CAP;
THENCE North 48 degrees 26 minutes 32 seconds East for a distance of 176.92 feet to a REBAR/CAP;
THENCE North 30 degrees 12 minutes 22 seconds East for a distance of 102.96 feet to a REBAR/CAP;
THENCE North 06 degrees 13 minutes 52 seconds East for a distance of 225.89 feet to a REBAR/CAP;
THENCE North 19 degrees 35 minutes 12 seconds East for a distance of 521.79 feet to a REBAR/CAP;
THENCE North 41 degrees 30 minutes 58 seconds East for a distance of 131.25 feet to a REBAR/CAP;
THENCE North 48 degrees 42 minutes 56 seconds East for a distance of 237.12 feet to a REBAR/CAP;
THENCE North 57 degrees 45 minutes 48 seconds East for a distance of 263.49 feet to a REBAR/CAP;
THENCE North 71 degrees 21 minutes 10 seconds East for a distance of 132.86 feet to a REBAR/CAP;
THENCE North 24 degrees 29 minutes 09 seconds East for a distance of 277.72 feet to a REBAR/CAP;
THENCE North 31 degrees 13 minutes 13 seconds East for a distance of 109.77 feet to a REBAR/CAP;
THENCE North 11 degrees 27 minutes 24 seconds East for a distance of 111.81 feet to a REBAR/CAP;
THENCE North 26 degrees 45 minutes 14 seconds East for a distance of 266.14 feet to a REBAR/CAP;
THENCE North 44 degrees 30 minutes 55 seconds East for a distance of 371.39 feet to a REBAR/CAP;
THENCE North 17 degrees 32 minutes 29 seconds East for a distance of 88.60 feet to a REBAR/CAP;
THENCE North 44 degrees 36 minutes 13 seconds East for a distance of 261.73 feet to a REBAR/CAP;
THENCE North 15 degrees 11 minutes 17 seconds East for a distance of 247.39 feet to a REBAR/CAP;
THENCE North 04 degrees 17 minutes 19 seconds West for a distance of 105.48 feet to a REBAR/CAP;
THENCE North 03 degrees 52 minutes 41 seconds East for a distance of 210.24 feet to a REBAR/CAP;
THENCE North 01 degrees 56 minutes 32 seconds West for a distance of 185.27 feet to a REBAR/CAP;
THENCE North 16 degrees 22 minutes 25 seconds West for a distance of 99.63 feet to a REBAR/CAP;
THENCE North 00 degrees 30 minutes 55 seconds East for a distance of 450.04 feet to a REBAR/CAP;
THENCE North 18 degrees 15 minutes 17 seconds East for a distance of 204.03 feet to a REBAR/CAP;
THENCE North 08 degrees 38 minutes 52 seconds East for a distance of 191.64 feet to a REBAR/CAP;

THENCE North 06 degrees 12 minutes 02 seconds West for a distance of 156.29 feet to a REBAR/CAP;

THENCE North 00 degrees 23 minutes 47 seconds West for a distance of 185.07 feet to a REBAR/CAP;

THENCE North 43 degrees 50 minutes 53 seconds West for a distance of 176.78 feet to a REBAR/CAP;

THENCE North 55 degrees 09 minutes 29 seconds West for a distance of 108.17 feet to a REBAR/CAP;

THENCE North 22 degrees 39 minutes 14 seconds West for a distance of 185.81 feet to a REBAR/CAP;

THENCE North 73 degrees 04 minutes 07 seconds East for a distance of 257.74 feet to a REBAR/CAP;

THENCE South 67 degrees 02 minutes 48 seconds East for a distance of 242.34 feet to a REBAR/CAP;

THENCE North 87 degrees 52 minutes 54 seconds East for a distance of 175.29 feet to a REBAR/CAP;

THENCE South 73 degrees 55 minutes 00 seconds East for a distance of 232.87 feet to a REBAR/CAP;

THENCE North 70 degrees 21 minutes 50 seconds East for a distance of 577.61 feet to a REBAR/CAP;

THENCE North 57 degrees 11 minutes 35 seconds East for a distance of 295.39 feet to a REBAR/CAP;

THENCE North 64 degrees 35 minutes 13 seconds East for a distance of 245.97 feet to a REBAR/CAP;

THENCE North 54 degrees 33 minutes 39 seconds East for a distance of 411.01 feet to a REBAR/CAP;

THENCE North 42 degrees 26 minutes 12 seconds East for a distance of 272.81 feet to a REBAR/CAP;

THENCE North 52 degrees 29 minutes 32 seconds East for a distance of 160.08 feet to a REBAR/CAP;

THENCE North 44 degrees 01 minutes 51 seconds East for a distance of 286.58 feet to a REBAR/CAP;

THENCE North 61 degrees 05 minutes 01 seconds East for a distance of 219.55 feet to a REBAR/CAP;

THENCE North 35 degrees 44 minutes 40 seconds East for a distance of 176.14 feet to a REBAR/CAP;

THENCE North 13 degrees 11 minutes 50 seconds West for a distance of 221.93 feet to a REBAR/CAP;

THENCE North 48 degrees 44 minutes 49 seconds West for a distance of 124.20 feet to a REBAR/CAP;

THENCE North 24 degrees 24 minutes 28 seconds West for a distance of 127.48 feet to a REBAR/CAP;

THENCE North 02 degrees 39 minutes 43 seconds West for a distance of 150.34 feet to a REBAR/CAP;

THENCE North 08 degrees 58 minutes 03 seconds East for a distance of 257.40 feet to a REBAR/CAP;

THENCE North 01 degrees 14 minutes 02 seconds West for a distance of 120.11 feet to a REBAR/CAP;

THENCE North 44 degrees 49 minutes 12 seconds East for a distance of 152.07 feet to a REBAR/CAP;

THENCE North 12 degrees 27 minutes 43 seconds East for a distance of 127.48 feet to a REBAR/CAP;

THENCE North 57 degrees 27 minutes 44 seconds East for a distance of 108.17 feet to a REBAR/CAP;

THENCE North 09 degrees 31 minutes 05 seconds East for a distance of 171.83 feet to a REBAR/CAP;

THENCE North 07 degrees 16 minutes 29 seconds West for a distance of 272.95 feet to a REBAR/CAP;

THENCE North 12 degrees 27 minutes 44 seconds East for a distance of 127.48 feet to a REBAR/CAP;

THENCE North 08 degrees 55 minutes 02 seconds East for a distance of 222.04 feet to a REBAR/CAP;

THENCE North 20 degrees 48 minutes 22 seconds East for a distance of 148.66 feet to a REBAR/CAP;

THENCE North 12 degrees 10 minutes 20 seconds West for a distance of 195.26 feet to a REBAR/CAP;

THENCE North 04 degrees 43 minutes 43 seconds East for a distance of 160.32 feet to a REBAR/CAP;

THENCE North 05 degrees 11 minutes 17 seconds West for a distance of 181.11 feet to a REBAR/CAP;

THENCE North 33 degrees 50 minutes 23 seconds West for a distance of 61.03 feet to a REBAR/CAP;

THENCE South 77 degrees 06 minutes 58 seconds West for a distance of 123.70 feet to a REBAR/CAP;

THENCE South 56 degrees 42 minutes 48 seconds West for a distance of 212.19 feet to a REBAR/CAP;

THENCE South 72 degrees 19 minutes 39 seconds West for a distance of 232.44 feet to a REBAR/CAP;

THENCE North 76 degrees 07 minutes 24 seconds West for a distance of 158.91 feet to a REBAR/CAP;

THENCE North 35 degrees 27 minutes 17 seconds West for a distance of 218.01 feet to a REBAR/CAP;

THENCE North 61 degrees 32 minutes 53 seconds West for a distance of 174.43 feet to a REBAR/CAP;

THENCE South 78 degrees 14 minutes 42 seconds West for a distance of 246.23 feet to a REBAR/CAP;

THENCE North 79 degrees 32 minutes 16 seconds West for a distance of 309.08 feet to a REBAR/CAP;

THENCE North 63 degrees 38 minutes 48 seconds West for a distance of 93.94 feet to a REBAR/CAP;

THENCE North 86 degrees 24 minutes 40 seconds West for a distance of 235.22 feet to a REBAR/CAP;

THENCE North 52 degrees 39 minutes 16 seconds West for a distance of 254.02 feet to a REBAR/CAP;

THENCE North 83 degrees 39 minutes 12 seconds West for a distance of 110.46 feet to a REBAR/CAP;

THENCE North 52 degrees 58 minutes 40 seconds West for a distance of 401.07 feet to a REBAR/CAP;

THENCE North 76 degrees 16 minutes 14 seconds West for a distance of 1285.88 feet to a REBAR/CAP;

THENCE North 04 degrees 43 minutes 43 seconds East for a distance of 320.63 feet to a REBAR/CAP;

THENCE North 01 degrees 09 minutes 08 seconds East for a distance of 405.01 feet to a REBAR/CAP;

THENCE North 04 degrees 07 minutes 35 seconds West for a distance of 923.94 feet to a REBAR/CAP;

THENCE North 28 degrees 44 minutes 47 seconds West for a distance of 230.71 feet to a REBAR/CAP;

THENCE North 40 degrees 02 minutes 00 seconds West for a distance of 212.61 feet to a REBAR/CAP;

THENCE North 30 degrees 27 minutes 18 seconds West for a distance of 152.65 feet to a REBAR/CAP;

THENCE North 56 degrees 06 minutes 44 seconds West for a distance of 166.44 feet to a REBAR/CAP;

THENCE North 42 degrees 50 minutes 33 seconds West for a distance of 201.56 feet to a REBAR/CAP;

THENCE North 64 degrees 57 minutes 39 seconds West for a distance of 382.80 feet to a REBAR/CAP;

THENCE North 74 degrees 48 minutes 40 seconds West for a distance of 453.55 feet to a REBAR/CAP;

THENCE North 86 degrees 36 minutes 06 seconds West for a distance of 510.40 feet to a REBAR/CAP;

THENCE South 89 degrees 41 minutes 02 seconds West for a distance of 585.21 feet to a REBAR/CAP;

THENCE South 79 degrees 39 minutes 22 seconds West for a distance of 301.05 feet to a REBAR/CAP;

THENCE South 89 degrees 21 minutes 46 seconds West for a distance of 160.08 feet to a REBAR/CAP;

THENCE North 70 degrees 35 minutes 47 seconds East for a distance of 170.88 feet to a REBAR/CAP;

THENCE North 42 degrees 20 minutes 18 seconds East for a distance of 106.30 feet to a REBAR/CAP;

THENCE North 21 degrees 42 minutes 31 seconds East for a distance of 128.16 feet to a REBAR/CAP;

THENCE North 52 degrees 29 minutes 34 seconds East for a distance of 160.08 feet to a REBAR/CAP;

THENCE North 73 degrees 37 minutes 37 seconds East for a distance of 199.25 feet to a REBAR/CAP;

THENCE North 56 degrees 38 minutes 39 seconds East for a distance of 97.08 feet to a REBAR/CAP;

THENCE North 73 degrees 30 minutes 09 seconds East for a distance of 115.44 feet to a REBAR/CAP;

THENCE North 22 degrees 11 minutes 24 seconds East for a distance of 139.29 feet to a REBAR/CAP;

THENCE North 48 degrees 00 minutes 01 seconds East for a distance of 438.64 feet to a REBAR/CAP;

THENCE North 29 degrees 45 minutes 47 seconds East for a distance of 250.61 feet to a REBAR/CAP;

THENCE North 11 degrees 11 minutes 41 seconds East for a distance of 974.96 feet to a REBAR/CAP;

THENCE North 23 degrees 33 minutes 42 seconds West for a distance of 263.11 feet to a REBAR/CAP;

THENCE North 02 degrees 39 minutes 41 seconds West for a distance of 150.34 feet to a REBAR/CAP;

THENCE South 70 degrees 58 minutes 07 seconds East for a distance of 162.87 feet to a REBAR/CAP;

THENCE North 89 degrees 16 minutes 30 seconds East for a distance of 305.17 feet to a REBAR/CAP;

THENCE North 70 degrees 25 minutes 38 seconds East for a distance of 197.81 feet to a REBAR/CAP;

THENCE North 54 degrees 16 minutes 58 seconds East for a distance of 250.01 feet to a REBAR/CAP;

THENCE North 77 degrees 31 minutes 33 seconds East for a distance of 169.78 feet to a REBAR/CAP;

THENCE South 82 degrees 56 minutes 28 seconds East for a distance of 291.55 feet to a REBAR/CAP;

THENCE North 78 degrees 37 minutes 26 seconds East for a distance of 184.40 feet to a REBAR/CAP;

THENCE North 86 degrees 34 minutes 44 seconds East for a distance of 376.21 feet to a REBAR/CAP;

THENCE North 27 degrees 43 minutes 04 seconds East for a distance of 89.44 feet to a REBAR/CAP;

THENCE North 37 degrees 12 minutes 53 seconds West for a distance of 153.06 feet to a REBAR/CAP;

THENCE North 08 degrees 18 minutes 35 seconds West for a distance of 212.90 feet to a REBAR/CAP;

THENCE North 09 degrees 16 minutes 58 seconds East for a distance of 212.14 feet to a REBAR/CAP;

THENCE North 07 degrees 50 minutes 47 seconds West for a distance of 223.76 feet to a REBAR/CAP;

THENCE North 00 degrees 12 minutes 40 seconds West for a distance of 210.06 feet to a REBAR/CAP;

THENCE North 18 degrees 23 minutes 02 seconds West for a distance of 164.47 feet to a REBAR/CAP;

THENCE North 31 degrees 42 minutes 57 seconds West for a distance of 386.95 feet to a REBAR/CAP;

THENCE North 02 degrees 12 minutes 49 seconds West for a distance of 255.45 feet to a REBAR/CAP;

THENCE North 13 degrees 08 minutes 51 seconds West for a distance of 263.16 feet to a REBAR/CAP;

THENCE North 03 degrees 56 minutes 58 seconds West for a distance of 281.12 feet to a REBAR/CAP;

THENCE North 15 degrees 14 minutes 12 seconds West for a distance of 265.81 feet to a REBAR/CAP;

THENCE North 34 degrees 15 minutes 51 seconds West for a distance of 276.10 feet to a REBAR/CAP;

THENCE North 34 degrees 03 minutes 29 seconds East for a distance of 101.24 feet to a REBAR/CAP;

THENCE North 83 degrees 23 minutes 16 seconds East for a distance of 111.02 feet to a REBAR/CAP;

THENCE South 77 degrees 09 minutes 28 seconds East for a distance of 148.07 feet to a REBAR/CAP;

THENCE South 71 degrees 19 minutes 17 seconds East for a distance of 199.25 feet to a REBAR/CAP;

THENCE South 72 degrees 48 minutes 25 seconds East for a distance of 416.21 feet to a REBAR/CAP;

THENCE North 78 degrees 37 minutes 27 seconds East for a distance of 138.30 feet to a REBAR/CAP;

THENCE North 38 degrees 33 minutes 30 seconds East for a distance of 214.01 feet to a REBAR/CAP;

THENCE North 58 degrees 30 minutes 30 seconds East for a distance of 380.04 feet to a REBAR/CAP;

THENCE North 71 degrees 40 minutes 20 seconds East for a distance of 779.65 feet to a REBAR/CAP;

THENCE South 80 degrees 45 minutes 45 seconds East for a distance of 888.85 feet to a REBAR/CAP;

THENCE North 79 degrees 59 minutes 01 seconds East for a distance of 800.17 feet to a REBAR/CAP;

THENCE North 65 degrees 07 minutes 24 seconds East for a distance of 239.27 feet to a REBAR/CAP;

THENCE North 53 degrees 58 minutes 56 seconds East for a distance of 571.02 feet to a REBAR/CAP;

THENCE North 46 degrees 09 minutes 11 seconds East for a distance of 275.78 feet to a REBAR/CAP;

THENCE North 72 degrees 03 minutes 34 seconds East for a distance of 137.57 feet to a REBAR/CAP;

THENCE North 56 degrees 38 minutes 40 seconds East for a distance of 291.25 feet to a REBAR/CAP;

THENCE North 65 degrees 24 minutes 45 seconds East for a distance of 310.85 feet to a REBAR/CAP;

THENCE North 59 degrees 32 minutes 44 seconds East for a distance of 305.29 feet to a REBAR/CAP;

THENCE North 70 degrees 35 minutes 49 seconds East for a distance of 213.60 feet to a REBAR/CAP;

THENCE North 58 degrees 55 minutes 28 seconds East for a distance of 271.90 feet to a REBAR/CAP;

THENCE North 75 degrees 35 minutes 30 seconds East for a distance of 410.04 feet to a REBAR/CAP;

THENCE South 80 degrees 34 minutes 16 seconds East for a distance of 277.90 feet to a REBAR/CAP;

THENCE North 10 degrees 07 minutes 32 seconds East for a distance of 192.36 feet to a REBAR/CAP;

THENCE North 52 degrees 36 minutes 43 seconds East for a distance of 377.17 feet to a REBAR/CAP;

THENCE North 19 degrees 51 minutes 53 seconds East for a distance of 327.30 feet to a REBAR/CAP;

THENCE North 33 degrees 16 minutes 41 seconds East for a distance of 253.87 feet to a REBAR/CAP;

THENCE North 64 degrees 25 minutes 16 seconds East for a distance of 766.98 feet to a REBAR/CAP;

THENCE North 39 degrees 39 minutes 14 seconds East for a distance of 281.12 feet to a REBAR/CAP;

THENCE North 23 degrees 32 minutes 00 seconds East for a distance of 91.92 feet to a REBAR/CAP;

THENCE North 56 degrees 29 minutes 42 seconds East for a distance of 492.37 feet to a REBAR/CAP;

THENCE North 79 degrees 15 minutes 53 seconds East for a distance of 194.17 feet to a REBAR/CAP;

THENCE North 49 degrees 41 minutes 08 seconds East for a distance of 286.93 feet to a REBAR/CAP;

THENCE North 28 degrees 04 minutes 11 seconds East for a distance of 728.98 feet to a REBAR/CAP;

THENCE North 35 degrees 58 minutes 40 seconds East for a distance of 560.36 feet to a REBAR/CAP;

THENCE North 48 degrees 43 minutes 57 seconds East for a distance of 392.85 feet to a REBAR/CAP;

THENCE North 59 degrees 08 minutes 53 seconds East for a distance of 235.85 feet to a REBAR/CAP;

THENCE North 11 degrees 09 minutes 41 seconds East for a distance of 86.31 feet to a REBAR/CAP;

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North 33 degrees 42 minutes 40 seconds West for a distance of 235.85 feet to a
North 35 degrees 43 minutes 00 seconds West for a distance of 175.00 feet to a
North 40 degrees 40 minutes 00 seconds West for a distance of 127.48 feet to a
North 11 degrees 13 minutes 39 seconds West for a distance of 209.88 feet to a
North 22 degrees 24 minutes 14 seconds East for a distance of 96.57 feet to a
North 07 degrees 56 minutes 13 seconds West for a distance of 253.18 feet to a
North 22 degrees 41 minutes 49 seconds West for a distance of 519.36 feet to a
North 45 degrees 47 minutes 29 seconds West for a distance of 90.42 feet to the New
Mexico Colorado State Line

New Mexico Colorado State line as follows:

South 89 degrees 17 minutes 50 seconds East for a distance of 22100.60 feet along the New
Mexico Colorado State Line to the NM&CO. MKR 120+39.02 and being the last call on the Grid
coordinates for the New Mexico East Zone ;

South 89 degrees 52 minutes 29 seconds East for a distance of 2575.66 feet to MILE

South 89 degrees 55 minutes 23 seconds East for a distance of 5277.57 feet to a point ;

South 89 degrees 54 minutes 43 seconds East for a distance of 5278.02 feet to a point ;

South 89 degrees 38 minutes 08 seconds East for a distance of 5270.59 feet to MILE

South 89 degrees 24 minutes 18 seconds East for a distance of 5261.01 feet to a point ;

South 89 degrees 51 minutes 08 seconds East for a distance of 1320.26 feet to MILE

South 89 degrees 57 minutes 14 seconds East for a distance of 3959.66 feet to MILE

South 89 degrees 56 minutes 19 seconds East for a distance of 535.98 feet to MILE MKR

South 88 degrees 57 minutes 52 seconds East for a distance of 4609.97 feet to a point

South 88 degrees 56 minutes 08 seconds East for a distance of 5127.10 feet to MILE

South 88 degrees 02 minutes 33 seconds East for a distance of 5391.30 feet to a point ;

South 89 degrees 27 minutes 38 seconds East for a distance of 4265.02 feet to MILE

South 89 degrees 27 minutes 38 seconds East for a distance of 924.91 feet to MILE MKR

South 85 degrees 07 minutes 53 seconds East for a distance of 5402.10 feet to a point ;

North 89 degrees 12 minutes 11 seconds East for a distance of 5274.28 feet to MILE

North 86 degrees 46 minutes 34 seconds East for a distance of 5209.63 feet to MILE

South 89 degrees 39 minutes 29 seconds East for a distance of 5337.08 feet to MILE

South 89 degrees 40 minutes 54 seconds East for a distance of 5335.71 feet to MILE

THENCE South 89 degrees 22 minutes 44 seconds East for a distance of 5246.28 feet to MILE MKR 105 and the point and place of beginning.

But excepting therefrom, however, a tract intended as a site for reservoir and other purposes on the Costilla River, as excepted in said deed from Southwest Land Company to W. S. Ranch Company, said excepted tract being more particularly described as follows:

Beginning at a point on the right bank of Costilla Creek whence the monument on Mt. Baldy, otherwise designated as Peak "C" bears North 55 degrees 35 minutes West 18,848 feet; and running thence by courses and distances as follows, to-wit:

- COURSE NO. 1: South 55 degrees 13 minutes West 386.7 feet,
 2: North 59 degrees 58 minutes West 1000.0 feet,
 3: North 38 degrees 00 minutes East 923.0 feet,
 4: North 81 degrees 08 minutes East 135.1 feet,
 5: North 50 degrees 20 minutes East 423.5 feet,
 6: North 16 degrees 56 minutes East 126.6 feet,
 7: North 42 degrees 56 minutes East 717.5 feet,
 8: North 19 degrees 33 minutes East 895.6 feet,
 9: North 57 degrees 56 minutes West 525.6 feet,
 10: North 34 degrees 16 minutes East 645.3 feet,
 11: South 70 degrees 25 minutes East 687.9 feet,
 12: North 31 degrees 52 minutes East 282.7 feet,
 13: North 10 degrees 52 minutes East 709.6 feet,
 14: North 30 degrees 57 minutes East 870.8 feet,
 15: North 40 degrees 32 minutes East 660.0 feet,
 16: North 68 degrees 33 minutes East 842.3 feet,
 17: North 09 degrees 54 minutes East 464.5 feet,
 18: North 77 degrees 06 minutes East 472.3 feet,
 19: North 65 degrees 19 minutes East 744.6 feet,
 20: North 53 degrees 03 minutes East 365.0 feet,
 21: North 25 degrees 20 minutes East 572.5 feet,
 22: North 58 degrees 58 minutes East 737.9 feet,
 23: South 86 degrees 52 minutes East 1174.8 feet,
 24: South 09 degrees 46 minutes West 1734.0 feet,
 25: South 38 degrees 57 minutes West 470.0 feet,
 26: South 42 degrees 19 minutes West 2598.0 feet,
 27: South 86 degrees 51 minutes West 591.6 feet,
 28: South 44 degrees 56 minutes West 715.5 feet,
 29: South 02 degrees 32 minutes East 361.0 feet,
 30: South 56 degrees 50 minutes West 1434.0 feet,
 31: South 26 degrees 44 minutes West 472.0 feet,
 32: South 11 degrees 31 minutes East 434.2 feet,
 33: South 56 degrees 04 minutes West 716.4 feet,
 34: South 18 degrees 31 minutes West 184.6 feet,
 35: North 77 degrees 21 minutes West 186.1 feet,
 36: South 61 degrees 32 minutes West 1055.0 feet,
 37: South 36 degrees 32 minutes West 311.5 feet,

to the place of beginning.

OLD VERMEJO TRACTS

TRACT 1: W. S. TRACT AS MODIFIED AND ENLARGED.

Parcel A: Original W. S. Purchase (main portion).

A tract of land bounded and described as follows: Beginning at the Southwest corner which is identical with the Southwest corner or Corner No. 1 of the tract of land described in that certain deed No. 677 from The Maxwell Land Grant Company to William French dated October 20, 1899, recorded in Book "R" of Deeds, page 532 of the records of Colfax County, New Mexico, which said tract is hereinafter referred to as the W. S. Tract, (an oak post 5"x5"x5', marked "W. S. #1" on the south side, also marked "S. W. Cor. W. S. Tract" on east side. This corner is identical with Corner No. 14 of the Nash tract, indicated by a granite boulder 8"x10"x20", "No. 14 Nash", on north side of road running from Springer to Cimarron, and 1,450 feet north of Cimarron River. Corner to Sections 10, 11, 14 and 15, Township 26 North, Range 19 East, bears South 2,186 feet distant);

THENCE North (Var. 13° 30' East) 5,937 feet to Corner No. 2 of the W. S. Tract (identical with Corner No. 1 of Nash tract, whence the quarter corner to Sections 2 and 3, Township 26 North, Range 19 East, bears South 443 feet distant);

THENCE North 27° 43' East 5,676.20 feet to Corner No. 3 of the W. S. Tract (a pine post 4x4x5, "W. S. #3", set at center of Section 35, Township 27 North, Range 19 East);

THENCE North 1,320 feet to Corner No. 4 of the W. S. Tract (a pine post 4x4x5 set 30" in ground and marked "W. S. #4");

THENCE North 18° 30' West 4,847.15 feet to Corner No. 5 of W. S. Tract (a flag pole marked "W. S. #5" and set in mound of stones on extreme south point of high mesa, north of Ponil Valley, whence Corner No. 2 of W. S. Tract bears South 05° 46' West 10,968.46 feet distant);

THENCE North 19° 00' East 3,001.35 feet to Corner No. 6 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #6", set on divide between Ponil and Encenoso Canyons, an 8" pine B. T. bears South 40° East 48 feet distant);

THENCE North 28° 53' West 9,955.32 feet to Corner No. 7 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #7", set on south end of high butte on Ponil-Encenoso divide, a 24" B. T. bears North 34° 20' East 78 feet distant);

THENCE North 01° 48' West 2,662.04 feet to Corner No. 8 of the W. S. Tract (a pinon tree 6"x6" cut off 4' above ground, and marked "W. S. #8", on northeast corner of high mesa, between Chase, Encenoso and south fork of Cerrososo Canyons, a 24" B. T. bears North 12° 30' West 74 feet distant);

THENCE North 09° 48' West 4,964.22 feet to Corner No. 9 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #9" and set on northeast slope of round hill);

THENCE North 09° 00' East 2,750.39 feet to Corner No. 10 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #10", set on north brow of small hill, an 18" B. T. bears North 77° East 23 feet distant);

THENCE North 12° 00' West 2,842.32 feet to Corner No. 11 of the W. S. Tract (a pine post 4x4x5, marked "W. S. #11", set on northeast slope of small mesa, a 10" B. T. bears South 05° East 23 feet distant);

THENCE North 49° 00' West 1,425.78 feet to Corner No. 12 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #12" and set on southeast side of gulch, gulch runs easterly to Cerrososo, an 8" pine B. T. bears South 36° 30' East 14 feet distant);

THENCE North 23° 00' West 5,215.35 feet to Corner No. 13 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #13", set on northwest slope of small mesa on divide, a 28" pine B. T. bears South 08° 30' West 7 feet distant);

THENCE North 52° 30' West 5,816.01 feet to Corner No. 14 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #14", set on southwest slope of low knoll on divide, a 10" pine B. T. bears North 28° East 34 feet distant);

THENCE North 13° 00' West 1,769.57 feet to Corner No. 15 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #15", set on north slope of round topped ridge, a 14" pine B. T. bears South 54° West 62 feet distant);

THENCE North 26° 00' West 1,806.75 feet to Corner No. 16 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #16", set on top of low ridge, a 14" B. T. bears North 20° East 31 feet distant);

THENCE North 01° 30' West 4,265.32 feet to Corner No. 17 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #17", set on northeast slope of small butte on divide, a 14" pine B. T. bears North 01° East 45 feet distant);

THENCE North 12° 00' West 2,174.46 feet to Corner No. 18 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #18", set on broad-topped mesa, a 10" B. T. bears North 08° East 30 feet distant);

THENCE North 46° 31' West 1,001.27 feet to Corner No. 19 of the W. S. Tract (the extreme western corner of the W. S. Tract, a pine post 7x7x5, marked "W. S. #19", set on low hill on divide between Chase and Cerrososo Canyons);

THENCE North 30° 38' East 2,963.50 feet to Corner No. 20 of the W. S. Tract (a pine post 5x5x5 set in mound of stones, and marked "W. S. #20", on top of rock cliff on steep ridge between canyons running easterly);

THENCE North 64° 38' East 2,755.84 feet to Corner No. 21 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #21", set on top of butte on steep divide running southeast, an 18" pine B. T. bears North 66° 30' West 10 feet distant);

THENCE North 85° 50' East 5,095.04 feet to Corner No. 22 of the W. S. Tract (a pine post 7x7x5, marked "W. S. #22", and set on north brow of bench on south side of Cerrososo Canyon about 1,000 feet northwest of forks of canyon, a 30" pine B. T. bears North 52° 30' East 36 feet distant, and Cerrososo Arroyo bears 550 feet Northeast);

THENCE North 40° 50' East 6,005.47 feet to Corner No. 23 of the W. S. Tract (a pine post 4x4x5, marked "W. S. #23", set on top of divide between Cerrososo and Van Bremmer Canyons, a 7" pinon B. T. bears South 11° West 20 feet distant);

THENCE North 05° 55' East 3,874.17 feet to Corner No. 24 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #24", set on top of ridge between two forks of Van Bremmer Canyon, an 8" B. T. bears South 56° 40' East 16 feet distant);

THENCE North 25° 17' East 16,217.63 feet to Corner No. 25 of the W. S. Tract (the northwest corner of the W. S. Tract, a pine post 8x8x5, marked "W. S. #25", set in saddle on divide between Van Bremmer and Stag Canyons. This post is also marked "N.W. Cor. W. S. Tract", a 12" pine B. T. bears North 56° 40' West 9 feet distant);

THENCE South 23° 43' East 2,669.44 feet to Corner No. 26 of the W. S. Tract (a pinon post 8x8x5, marked "W. S. #26", and set on south slope of divide, 100 feet from top, an 8" pinon B. T. bears North 13° West 19 feet distant);

THENCE South 35° 00' East 5,680.65 feet to Corner No. 27 of the W. S. Tract (a pine post 7x7x5, marked "W. S. #27", set on southeast slope of small hill, a 14" B. T. bears North 23° West 11 feet distant);

THENCE South 53° 00' East 5,105.44 feet to Corner No. 28 of the W. S. Tract (a pine post 8x8x5, marked "W. S. #28", on broad mesa west of the head of Coal Canyon, an 18" pine B. T. bears North 87° East 12 feet distant);

THENCE South 06° 49' West 2,940 feet to Corner No. 29 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #29", set on south slope of ridge on divide between Van Bremmer and Coal Canyons, a 14" B. T. bears North 60° West 25 feet distant);

THENCE South 02° 50' East 3,497.30 feet to Corner No. 30 of the W. S. Tract (a pine stump cut 3 feet from the ground, and marked "W. S. #30", on top of high butte, a 10" pine B. T. bears North 58° West 92 feet distant);

THENCE South 51° 14' East 3,506.66 feet to Corner No. 31 of the W. S. Tract (a pinon post 7x7x5, marked "W. S. #31", set on east brow of low ridge, an 8" pinon B. T. bears North 60° West 21 feet distant);

THENCE South 34° 30' East 1,468.91 feet to Corner No. 32 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #32", set on southwest brow of ridge at head of small canyon running south to Van Bremmer, a 12" pine B. T. bears South 02° East 5 feet distant);

THENCE South 23° 00' East 2,035.62 feet to Corner No. 33 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #33", set on top of high mesa, a 24" pine B. T. bears North 24° 30' East 31 feet distant);

THENCE South 20° 00' East 3,110.98 feet to Corner No. 34 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #34", set on southeast slope of flat-topped mesa on divide, an 8" pine B. T. bears North 72° East 19 feet distant);

THENCE South 47° 00' East 2,184.82 feet to Corner No. 35 of the W. S. Tract (a pine stump hewn to 8"x10" and cut off 3 feet from ground. Stump is marked "W. S. #35" and stands on west edge of small mesa, a 14" B. T. bears North 70° East 22 feet distant);

THENCE South 65° 40' East 2,644.33 feet to Corner No. 36 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #36", set on top of divide, a 12" pine B. T. bears North 30° East 11 feet distant);

THENCE South 19° 40' East 2,537.65 feet to Corner No. 37 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #37", set on small flat-topped hills, a 15" pine B. T. bears North 32° East 10 feet distant);

THENCE South 08° 40' East 4,123.65 feet to Corner No. 38 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #38", set on low divide, a 16" pine B. T. bears North 14° 40' West 21 feet distant);

THENCE South 35° 10' East 2,247.55 feet to Corner No. 39 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #39", and set on north edge of timbered mesa, a 16" pine B. T. bears South 58° West 132 feet distant);

THENCE South 05° 10' East 1,835.18 feet to Corner No. 40 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #40", and set on divide, a 6" pinon B. T. bears North 05° 30' East 28 feet distant);

THENCE South 10° 50' West 5,522 feet to Corner No. 41 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #41", and set on divide, a 10" pinon B. T. bears South 45° 50' West 15 feet distant);

THENCE South 19° 10' East 4,692.92 feet to Corner No. 42 of the W. S. Tract (a pine post 7x7x5, marked "W. S. #42", set on broad mesa on divide between Van Bremmer and Vermejo Canyons, an 8" pine B. T. bears North 84° West 16 feet distant);

THENCE South 69° 10' East 776.80 feet to Corner No. 43 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #43", and set 100 feet south of north edge of mesa, a 22" pine B. T. bears South 41° West 22 feet distant);

THENCE South 40° 20' East 2,579.30 feet to Corner No. 44 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #44", and set on narrow neck of divide, a 10" pine B. T. bears North 64° West 14 feet distant);

THENCE South 28° 20' East 2,176.40 feet to Corner No. 45 of the W. S. Tract (a 20 foot flag pole, marked "W. S. #45", and set on extreme east point of high mesa overlooking prairie and north of mouth of Van Bremmer Canyon);

THENCE South 54° 11' East 16,057.68 feet to Corner No. 46 of the W. S. Tract (a pine post 7x7x5, marked "W. S. #46", set on point of low ridge on prairie between Van Bremmer and Vermejo in northwest quarter, Section 18, Township 27 North, Range 21 East);

THENCE North 52° 43' East 8,182.20 feet to Corner No. 47 of the W. S. Tract (a pine post 5x5x5, marked "W. S. #47", in center of Section 8, Township 27 North, Range 21 East);

THENCE South 00° 12' West 14,520 feet to Corner No. 48 of the W. S. Tract (a pine post 6x6x5, marked "W. S. #48", identical with southwest corner, Gale tract, in Section 29, Township 27 North, Range 21 East);

THENCE South 89° 33' East 6,567 feet to Corner No. 49 of the W. S. Tract (a pinon post 5x5x5, marked "W. S. #49", identical with southeast corner, Gale tract, in center of northeast quarter of Section 28);

THENCE North 00° 22' East 5,228 feet to Corner No. 50 of the W. S. Tract (a pinon post 5x5x5, marked "W. S. #50", set on southwest corner of E. Littrell tract at center of northeast quarter of Section 21);

THENCE South 89° 43' East 2,660.68 feet to Corner No. 51 of the W. S. Tract (a pinon post 5x5x5, marked "W. S. #51", identical with southeast corner of E. Littrell tract in bend of Vermejo River and on east bank of same);

THENCE North 1,216 feet to Corner No. 52 of the W. S. Tract (a pinon post 5x5x5, marked "W. S. #52", set on east line of E. Littrell tract);

THENCE South 49° 45' East 8,119.55 feet to Corner No. 53 of the W. S. Tract (a pinon post 5x5x5, marked "W. S. #53", set at northwest corner of Shoup Tract, the quarter corner to Sections 23 and 26, Township 27 North, Range 21 East, bears East 332 feet distant);

THENCE South 00° 19' West 5,270 feet to Corner No. 54 of the W. S. Tract (a pinon post 5x5x5, marked "W. S. #54", identical with southwest corner of Shoup tract);

THENCE South 89° 21' East 4,291.11 feet to Corner No. 55 of the W. S. Tract (a pinon post 5x5x5, marked "W. S. #55", identical with southeast corner of Shoup tract);

THENCE South 00° 16' West 1,310 feet to Corner No. 56 of the W. S. Tract (a pinon post 5x5x5, marked "W. S. #56", identical with southwest corner of Brackett tract);

THENCE South 89° 12' East 9,237 feet to Corner No. 57 of the W. S. Tract (a pinon post 5x5x5, marked "W. S. #57", whence the corner to Sections 29, 30, 31, and 32, Township 27 North, Range 22 East, N.M.P.M., bears North 1,320 feet distant);

THENCE East 5,280 feet;

THENCE South along section line 5,280 feet to intersection with north boundary of the W. S. Tract;

THENCE East 1,320 feet, more or less, to Corner No. 61 of the W. S. Tract (a pinon post 4x4x5, marked "W. S. #61", identical with northwest corner of L. Everett tract);

THENCE East 3,960 feet, more or less, to the east line of Section 4, Township 26 North, Range 22 East, N.M.P.M.;

THENCE South 60° East 3,049.2 feet to the center of Section 3, Township 26 North, Range 22 East, N.M.P.M.;

THENCE East 660 feet, more or less, to Corner No. 66 of the W. S. Tract (a pinon post 4x4x5, marked "W. S. #66");

THENCE East 660 feet, more or less, to the northwest corner of the NE1/4SE1/4 of said Section 3;

THENCE South 1,980 feet, more or less, to the southwest corner of the N1/2SE1/4SE1/4 of said Section 3;

THENCE East 1,320 feet to the southeast corner of the N1/2SE1/4SE1/4 of said Section 3;

THENCE South along the section line 1,320 feet to the southwest corner of the N1/2NW1/4NW1/4 of Section 11, Township 26 North, Range 22 East, N.M.P.M.;

THENCE East 1,320 feet to the southeast corner of the N1/2NW1/4NW1/4 of said Section 11;

THENCE North 1,980 feet to the southwest corner of the NE1/4SW1/4 of Section 2, Township 26 North, Range 22 East, N.M.P.M.;

THENCE East 1,320 feet to the southeast corner of the NE1/4SW1/4 of said Section 2;

THENCE North 1,320 feet to the center of said Section 2;

THENCE North 89° East 6,315.04 feet to Corner No. 67 of the W. S. Tract (a pinon post 5x5x5, marked "W. S. #67", set on west line of A. T. & S. F. Ry. right of way, and on center line of Section 1, Township 26 North, Range 22 East);

THENCE on meander of west fence line of railroad right of way South 22° 42' West 765 feet to P. I. of 4° curve No. 188 (boundary line of W. S. Tract follows curve);

THENCE South 05° 43' East 7,597 feet to P. I. of 5° curve No. 189 (boundary line of W. S. Tract follows curve);

THENCE South 20° 37' West 5,110 feet to P. I. of 4° curve No. 190 (boundary line of W. S. Tract follows curve);

THENCE South 51° 32' West following the curve to the east line of W1/2SW1/4 of Section 13, Township 26 North, Range 22 East, N.M.P.M.;

THENCE North to the northeast corner of the W1/2SW1/4 of said Section 13;

THENCE West along the east and west center line of Sections 13, 14 and 15 a distance of 7,920 feet to the northwest corner of the E1/2SE1/4 of Section 15, Township 26 North, Range 22 East, N.M.P.M.;

THENCE South 2,640 feet to the southwest corner of the E1/2SE1/4 of said Section 15;

THENCE West along the section line 2,640 feet to the southeast corner of the W1/2SW1/4 of said Section 15;

THENCE North 2,640 feet to the northeast corner of the W1/2SW1/4 of said Section 15;

THENCE West along the center line of said Section 15, a distance of 1,320 feet to the section line;

THENCE South along said section line 2,604 feet to the southwest corner of said Section 15;

THENCE West along the section line 3,960 feet to the northeast corner of the W1/2NW1/4 of Section 21, Township 26 North, Range 22 East, N.M.P.M.;

THENCE South 2,640 feet to the southeast corner of the W1/2NW1/4 of said Section 21;

THENCE East 1,320 feet to the center of said Section 21;

THENCE South 1,320 feet to the southeast corner of the N1/2SW1/4 of said Section 21;

THENCE West 2,640 feet to the southwest corner of the N1/2SW1/4 of said Section 21;

THENCE North 1,320 feet to the northwest corner of the N1/2SW1/4 of said Section 21;

THENCE West 660 feet to the southeast corner of the W1/2SE1/4NE1/4 of Section 20, Township 26 North, Range 22 East, N.M.P.M.;

THENCE North 1,320 feet to the northeast corner of the W1/2SE1/4NE1/4 of said Section 20;

THENCE West 5,940 feet to the southwest corner of the NE1/4NE1/4 of Section 19, Township 26 North, Range 22 East, N.M.P.M.;

THENCE North 1,320 feet to the northwest corner of the NE1/4NE1/4 of said Section 19;

THENCE West along the section line 3,960 feet to the northwest corner of said Section 19;

THENCE South along the section line 3,960 feet to the northeast corner of the S1/2SE1/4 of Section 24, Township 26 North, Range 21 East, N.M.P.M.;

THENCE West 2,640 feet to the northwest corner of the S1/2SE1/4 of said Section 24;

THENCE South 1,320 feet to the southwest corner of the S1/2SE1/4 of said Section 24;

THENCE West along the section line 5,280 feet to the northwest corner of the N1/2NE1/4 of Section 26, Township 26 North, Range 21 East, N.M.P.M.;

THENCE South 660 feet to the southwest corner of the N1/2NW1/4NE1/4 of said Section 26;

THENCE East 1,320 feet to the southeast corner of the N1/2NW1/4NE1/4 of said Section 26;

THENCE South 660 feet to the southeast corner of the NW1/4NE1/4 of said Section 26;

THENCE West 2,640 feet to the southwest corner of the NE1/4NW1/4 of said Section 26;

THENCE North 1,320 feet to the northwest corner of the NE1/4NW1/4 of said Section 26;

THENCE West along the section line 10,560 feet to the northeast corner of the W1/2NW1/4 of Section 28, Township 26 North, Range 21 East, N.M.P.M.;

THENCE South 2,640 feet to the southeast corner of the W1/2NW1/4 of said Section 28;

THENCE West 1,320 feet to the southwest corner of the W1/2NW1/4 of said Section 28;

THENCE South along the section line to the point of intersection with the south boundary line of the tract of land conveyed by The Maxwell Land Grant Company to William French by deed No. 770 dated December 8, 1900, recorded in Book "Q" of Deeds, page 178, of the Records of Colfax County, New Mexico;

THENCE following said southern boundary line North 52° West to intersection with the south boundary line of the W. S. Tract at a point on the south line of Section 19, Township 26 North, Range 21 East, N.M.P.M., 1,320 feet West of the southeast corner of said section;

THENCE along the section line North 89° 57' West 1,316 feet to Corner No. 75 of the W. S. Tract (a sawed pine post 4x4x5, marked "W. S. #75", identical with quarter corner to Sections 19 and 30, Township 26 North, Range 21 East);

THENCE North 53° 42' West 5,696.39 feet to Corner No. 76 of the W. S. Tract (a sawed pine post 4x4x5, marked "W. S. #76");

THENCE South 88° 49' West 4,289.70 feet to Corner No. 77 of the W. S. Tract (a sawed pine post 4x4x5, marked "W. S. #77", set on north bank of big ditch of Springer System, and on east line of Springer tract);

THENCE North 2,021.20 feet to Corner No. 78 of the W. S. Tract (a sawed pine post 4x4x5, marked "W. S. #78", on line between Sections 14 and 23, Township 26 North, Range 20 East, the northeast corner of Springer fence bears South 04° 42' West 56 feet distant);

THENCE North 89° 59' West 9,532 feet to Corner No. 79 of the W. S. Tract (a sawed pine post 4x4x5, marked "W. S. #79", identical with corner to Sections 15 and 16, 21 and 22, Township 26 North, Range 20 East);

THENCE North 75° 57' West 5,496 feet to Corner No. 80 of the W. S. Tract (a sawed pine post 4x4x5, marked "W. S. #80", identical with southeast corner of Hunt and Crocker tract (160.00 A.));

THENCE North 81° 11' West 2,882 feet to Corner No. 81 of the W. S. Tract (a cedar fence post, marked "W. S. #81", identical with southeast corner No. 11 of Nash tract);

THENCE North 80° 03' West 10,130 feet to Corner No. 82 of the W. S. Tract (identical with Corner No. 12 of Nash tract);

THENCE North 62° 02' West 1,940 feet to Corner No. 83 of the W. S. Tract (identical with Corner No. 13 of Nash tract);

THENCE North 65° 25' West 7,415 feet to Corner No. 1 of the W. S. Tract, or point of beginning.

EXCEPTING THEREFROM, HOWEVER, Certain Tracts of Land as Follows:

(a) A tract containing 1.29 acres, more or less, conveyed by The W. S. Land and Cattle Company to The Atchison, Topeka and Santa Fe Railway Company by Deed dated December 1, 1936 and recorded in Book 67 of Deeds, page 380, of the records of Colfax County, New Mexico.

(b) A certain tract of land conveyed by deed between W. S. Ranch Company and the State Highway Commission of New Mexico, dated September 9, 1968, recorded in Deed Book 113, page 67, filed September 12, 1968 at 11:40 a.m., in the records of Colfax County, New Mexico.

(c) A certain tract of land conveyed by Quitclaim Deed between Vermejo Park Corporation and William D. Hickman, dated March 13, 1978, filed March 16, 1978, recorded in Deed Book 133, page 411, in the Records of Colfax County, New Mexico.

(d) A certain tract of land conveyed by deed between Vermejo Park Corporation and C. S. Cattle Company, dated April 24, 1979, filed June 21, 1979, recorded in Deed Book 137, page 488, records of Colfax County, New Mexico.

(e) A certain tract of land conveyed by that Special Warranty Deed between Vermejo Park Corporation and Dave A. Heck and Barbara A. Heck and Emory L. Russell and Barbara A. Russell, dated September 7, 1983, filed September 22, 1983, recorded in Deed Book 154, page 355, records of Colfax County, New Mexico.

(f) A certain tract of land conveyed by deed between Vermejo Park Corporation and Dave A. Heck and Barbara A. Heck and Emory L. Russell and Barbara A. Russell dated September 7, 1983, filed September 22, 1983, recorded in Deed Book 154, page 358, records of Colfax County, New Mexico.

(g) A tract of land within Section 11 of Township 26 North 19 East of the NMPM, Colfax County, New Mexico being more particularly described as follows:

Commencing at a pipe and marked stone marking the 1/4 Corner Common to Sections 10 and 11 of T 26 N, R 19 E, Thence North 01 degrees 09 minutes 47 seconds East, 1505.56 feet to a 1/2 inch rebar set in the North Right of Way line of State Highway 58 being the point and place of beginning, and being point No. 1;

THENCE North 51 degrees 54 minutes 01 seconds East for a distance of 1388.73 feet to a 1/2 " rebar with cap being corner No. 2;

THENCE South 83 degrees 24 minutes 21 seconds East for a distance of 1005.93 feet to a 1/2 " rebar with cap being corner No. 3;

THENCE North 07 degrees 54 minutes 52 seconds West for a distance of 429.30 feet to a 1/2 " rebar with cap being corner No. 4;

THENCE North 83 degrees 16 minutes 50 West for a distance of 928.61 feet to a 1/2 " rebar with cap being corner No. 5;

THENCE South 02 degrees 27 minutes 16 seconds West for a distance of 352.64 feet to a 1/2 " rebar with cap being corner No. 6;

THENCE South 51 degrees 38 minutes 01 seconds West for a distance of 1449.23 feet to a 1/2 " rebar with cap set on the North Right of way line of State Road No. 58 being corner No. 7;

THENCE South 56 degrees 26 minutes 16 seconds East for a distance of 52.92 feet along the North Right of Way line of State Road 56 to the point and place of beginning. Said property contains 10.8 acres more or less.

Parcel C: Original W. S. Purchase (separate portion)

Also, the North Half of the Southeast Quarter (N1/2SE1/4) of Section 3, Township 25 North, Range 21 East, N.M.P.M.; containing 80 acres, more or less.

Parcel D: Crews and Dennis Purchase

The West Half of the Southwest Quarter (W1/2SW1/4) of Section Fifteen (15) and the East Half of the Northwest Quarter (E1/2NW1/4) of Section Twenty-one (21) in Township Twenty-six (26) North, Range Twenty-two (22) East, N.M.P.M.; containing 160 acres, more or less.

Parcel E: Federici Heirs Purchase

The East Half (E1/2) of Section Twenty (20); the Northwest Quarter of the Northwest Quarter (NW1/4NW1/4), of the South Half of the Northwest Quarter (S1/2NW1/4), the Southwest Quarter (SW1/4), and the West Half of the Southeast Quarter (W1/2SE1/4) of Section Twenty-one (21); the Northwest Quarter of the Northeast Quarter (NW1/4NE1/4), and the North Half of the Northwest Quarter (N1/2NW1/4) of Section Twenty-eight (28); the North Half of the Northeast Quarter (N1/2NE1/4) of Section Twenty-nine (29); Township Twenty-seven (27) North, Range Twenty-one (21) East, N.M.P.M.; containing 880 acres, more or less.

Parcel F: S. L. Dennis Purchase

The Northwest Quarter of the Northeast Quarter (NW1/4NE1/4), the South Half of the Northeast Quarter (S1/2NE1/4), the West Half of the Northwest Quarter (W1/2NW1/4), the West Half of the West Half of the East Half of the Northwest Quarter (W1/2W1/2E1/2NW1/4), and the South Half (S1/2) of Section Nineteen (19); the West Half of the Southeast Quarter of the Northeast Quarter (W1/2SE1/4NE1/4), the Southwest Quarter of the Northeast Quarter (SW1/4NE1/4), the South Half of the Northwest Quarter (S1/2NW1/4), and the South Half (S1/2) of Section Twenty (20); the West Half of the East Half of the Southwest Quarter of the Southwest Quarter (W1/2E1/2SW1/4SW1/4), the Southeast Quarter of the Southwest Quarter (SE1/4SW1/4), and the East Half (E1/2) of Section Twenty-one (21); all in Township Twenty-six (26) North, Range Twenty-two (22) East, N.M.P.M.; containing 1370 acres, more or less.

Also, a portion of Section Twenty-two (22), Township Twenty-six (26) North, Range Twenty-two (22) East, N.M.P.M., containing 133 acres, more or less, bounded and described as follows:

BEGINNING at the Northwest corner of said Section 22; THENCE, along the west line of said section, South 00 degrees 55 minutes West 4773 feet to the intersection with the west right-of-way line of U. S. Highway 85;

THENCE along the West right-of-way line of said highway in a Northeasterly direction following a curve of radius 3920 feet for a distance of 1,249.6 feet to point of tangency, 100 feet normal to station 21 plus 32.6 of surveyed center line of said highway, (the long chord of said curve running North 22 degrees 36 minutes East 1,244.4 feet);

THENCE, continuing along the West right-of-way line of said highway, North 31 degrees 44 minutes East 4,227 feet to the intersection with the North line of said Section 22;

THENCE, along the North line of said section, South 89 degrees 37 minutes West 2,632 feet to the point of beginning;

BUT EXCEPTING AND EXCLUDING THEREFROM, a triangular parcel containing 5.36 acres, more or less, described in the deed from S. L. Dennis and Maggie J. Dennis, his wife, to The Atchison, Topeka and Santa Fe Railway Company, dated December 21, 1964, and recorded February 12, 1965, in Book 107 of Deeds at page 295; leaving a net acreage of 127.64 acres, more or less.

BUT EXCEPTING AND EXCLUDING, however, from said Parcel A and said Parcel F the land and real estate, containing 58.24 acres, more or less, described in and conveyed by the Warranty Deed from W. S. Ranch Company to State Highway Commission of New Mexico, dated September 9, 1968, filed for record September 12, 1968, in the office of the county clerk of Colfax County, New Mexico, and recorded in Book 113 of Deeds, at page 67.

TRACT 2 HECK RANCH

TRACT A - HECK SOUTH

A tract of land being within Township 26 North, Range 18 and 19 East of the N.M.P.M., Colfax County, being more particularly described as follows:

Commencing at the Marked Stone marking the Northeast Corner of Section 4, Township 26 North, Range 19 East;

Thence South 25 degrees 17 minutes 15 seconds West, 9101.48 feet to a found marked stone marking corner No. 24 of the Cimarron Townsite, and being the point and place of beginning, from whence the National Geodetic Survey Tri Station "Cimarron" bears North 60 degrees 37 minutes 16 seconds East, 3554.20 feet;

THENCE North 88 degrees 18 minutes 30 seconds West for a distance of 1,983.23 feet to a Set rebar and Cap;

THENCE North 87 degrees 44 minutes 30 seconds West for a distance of 7255.37 feet to a Set rebar and Cap;

THENCE North 20 degrees 49 minutes 20 seconds West for a distance of 4212.37 feet to a Set rebar and Cap;

THENCE North 37 degrees 17 minutes 55 seconds West for a distance of 1647.21 feet to a Found Marked Stone;

THENCE North 41 degrees 31 minutes 51 seconds West for a distance of 1030.74 feet to a Set rebar and Cap;

THENCE North 57 degrees 27 minutes 51 seconds West for a distance of 417.07 feet to a Set Rebar and Cap;

THENCE North 07 degrees 07 minutes 28 seconds East for a distance of 847.02 feet to a Set Rebar and Cap on the South Right-of-way line of U.S. Highway 64;

THENCE South 75 degrees 54 minutes 30 seconds East for a distance of 11433.30 feet along the South Highway Right-of-way line of U.S. 64 to the P.C. of a Curve;

THENCE along a curve to the left having a radius of 11560.00 feet and an arc length of 1768.76 feet, being subtended by a chord of South 80 degrees 17 minutes 30 seconds East for a distance of 1767.04 feet along the South Highway Right-of-way line of U.S. 64 to a Hwy. R/W marker;

THENCE South 84 degrees 39 minutes 23 seconds East for a distance of 1166.59 feet along the South Hwy. R/W to a Found inch rebar;

THENCE South 06 degrees 09 minutes 59 seconds West for a distance of 1382.55 feet to a Found 1/2 inch Rebar;

THENCE North 72 degrees 02 minutes 48 seconds West for a distance of 1246.56 feet to a Found 1/2 inch Rebar;

THENCE South 01 degrees 53 minutes 43 seconds East for a distance of 958.00 feet to a Found Marked Stone marking Corner No. 25 of the Cimarron Townsite;

THENCE South 00 degrees 48 minutes 21 seconds West for a distance of 2290.53 feet to the point and place of beginning.

TRACT B - HECK NORTH

A tract of land being within Township 26 and 27 North, Range 18 and 19 East of the N.M.P.M., Colfax County, being more particularly described as follows:

Commencing at the Marked Stone marking the Northeast Corner of Section 4, Township 26 North, Range 19 East;

Thence South 25 degrees 17 minutes 15 seconds West, 9101.48 feet to a found marked stone marking Corner No. 24 of the Cimarron Townsite, from whence the National Geodetic Survey Tri Station "Cimarron" bears North 60 degrees 37 minutes 16 seconds East, 3554.20 feet;

Thence North 00 degrees 48 minutes 21 seconds East, for a distance of 2290.53 feet to a marked stone marking Corner No. 25 of the Cimarron Townsite;

Thence North 01 degrees 53 minutes 43 seconds West, 958.00 feet to a point;

Thence South 72 degrees 02 minutes 48 seconds East, 1246.56 feet;

Thence North 06 degrees 09 minutes 59 seconds East, 1382.55 feet;

Thence North 06 degrees 09 minutes 58 seconds East, 200.01 feet;

Thence North 84 degrees 40 minutes 35 seconds West, 745.41 feet along the North R/W line of Highway U.S. 64 to the point and place of beginning, also being the Southwest Corner of a tract of land

described in a deed from Vermejo Park Corp., to the Cimarron Schools recorded in Real Estate Records Book 2, page 2374, records of Colfax County, New Mexico, and being the point and place of beginning;

THENCE North 84 degrees 37 minutes 13 seconds West for a distance of 424.12 feet to the P.C. of a curve marked by a highway R/W marker;

THENCE along a curve to the right having a radius of 11360.00 feet and an arc length of 1738.16 feet, being subtended by a chord of North 80 degrees 17 minutes 30 seconds West for a distance of 1736.47 feet to a highway R/W marker;

THENCE North 75 degrees 54 minutes 30 seconds West for a distance of 11457.74 feet to a Set Rebar and Cap;

THENCE North 07 degrees 07 minutes 28 seconds East for a distance of 2899.15 feet to a Found Marked Stone;

THENCE North 42 degrees 35 minutes 37 seconds West for a distance of 1237.98 feet to a Set Cotton Picker;

THENCE North 35 degrees 13 minutes 51 seconds West for a distance of 1061.06 feet to a Found Marked Stone;

THENCE North 31 degrees 10 minutes 45 seconds West for a distance of 1600.09 feet to a Set Rebar and Cap;

THENCE North 56 degrees 28 minutes 13 seconds West for a distance of 1058.97 feet to a Set Cotton Picker;

THENCE North 44 degrees 10 minutes 07 seconds West for a distance of 1417.37 feet to a Set Rebar and Cap;

THENCE North 58 degrees 57 minutes 42 seconds West for a distance of 1902.01 feet to a Pt of Hill Cotton P.;

THENCE North 26 degrees 04 minutes 47 seconds West for a distance of 635.89 feet to a Point;

THENCE North 38 degrees 43 minutes 52 seconds West for a distance of 256.00 feet to a Point;

THENCE North 17 degrees 54 minutes 52 seconds West for a distance of 360.00 feet to a Point;

THENCE North 04 degrees 06 minutes 52 seconds West for a distance of 266.00 feet to a Point;

THENCE North 13 degrees 21 minutes 08 seconds East for a distance of 397.00 feet to a Set Rebar and Cap;

THENCE North 26 degrees 17 minutes 52 seconds West for a distance of 742.00 feet to a Point;

THENCE North 31 degrees 45 minutes 52 seconds West for a distance of 3074.50 feet to a Set Cotton Picker;

THENCE North 01 degrees 54 minutes 08 seconds East for a distance of 519.00 feet to a Point;

THENCE North 25 degrees 27 minutes 08 seconds East for a distance of 203.00 feet to a Point;

THENCE North 29 degrees 59 minutes 08 seconds East for a distance of 670.00 feet to a Point;

THENCE North 38 degrees 21 minutes 08 seconds East for a distance of 377.00 feet to a Set Rebar and Cap;

THENCE North 29 degrees 01 minutes 52 seconds West for a distance of 913.00 feet to a Set Rebar and Cap;

THENCE North 37 degrees 00 minutes 08 seconds East for a distance of 800.00 feet to an Existing Well Casing;

THENCE North 37 degrees 00 minutes 08 seconds East for a distance of 3310.28 feet to a Set Cotton Picker;

THENCE North 09 degrees 31 minutes 08 seconds East for a distance of 630.00 feet to a Set Rebar and Cap;

THENCE South 87 degrees 10 minutes 53 seconds East for a distance of 1409.65 feet to a Found Marked Stone;

THENCE North 55 degrees 47 minutes 07 seconds East for a distance of 141.17 feet to a Point;

THENCE North 48 degrees 10 minutes 07 seconds East for a distance of 216.33 feet to a Point;

THENCE North 27 degrees 37 minutes 07 seconds East for a distance of 141.17 feet to a Set Rebar and Cap;

THENCE North 21 degrees 39 minutes 07 seconds East for a distance of 1158.83 feet to a Set Rebar and Cap;

THENCE North 43 degrees 05 minutes 07 seconds East for a distance of 585.00 feet to a Point;

THENCE South 73 degrees 42 minutes 31 seconds East for a distance of 251.64 feet to a Set Rebar and Cap;
 THENCE South 73 degrees 17 minutes 34 seconds East for a distance of 140.00 feet to a Point;
 THENCE South 62 degrees 40 minutes 34 seconds East for a distance of 136.00 feet to a Point;
 THENCE South 65 degrees 33 minutes 44 seconds East for a distance of 196.87 feet to a Point;
 THENCE South 60 degrees 01 minutes 44 seconds East for a distance of 166.00 feet to a Point;
 THENCE South 83 degrees 40 minutes 44 seconds East for a distance of 316.50 feet to a Point;
 THENCE North 89 degrees 01 minutes 16 seconds East for a distance of 185.30 feet to a Point;
 THENCE North 85 degrees 49 minutes 33 seconds East for a distance of 221.69 feet to a Set Rebar and Cap;
 THENCE North 67 degrees 18 minutes 29 seconds East for a distance of 259.90 feet to a Point;
 THENCE North 57 degrees 33 minutes 21 seconds East for a distance of 169.14 feet to a Point;
 THENCE North 59 degrees 42 minutes 28 seconds East for a distance of 269.89 feet to a Point;
 THENCE North 19 degrees 47 minutes 27 seconds East for a distance of 198.32 feet to a Point;
 THENCE North 06 degrees 46 minutes 24 seconds East for a distance of 369.86 feet to a Set Rebar and Cap;
 THENCE North 28 degrees 03 minutes 16 seconds East for a distance of 209.09 feet to a Set Rebar and Cap;
 THENCE North 73 degrees 02 minutes 29 seconds East for a distance of 2134.69 feet to a Set Rebar and Cap;
 THENCE North 62 degrees 05 minutes 55 seconds East for a distance of 1644.70 feet to a Set Spike;
 THENCE North 16 degrees 52 minutes 32 seconds East for a distance of 1529.40 feet to a Set Rebar and Cap;
 THENCE North 23 degrees 42 minutes 32 seconds East for a distance of 887.60 feet to a Rebar and Cap;
 THENCE North 30 degrees 34 minutes 32 seconds East for a distance of 798.50 feet to a Set Rebar and Cap;
 THENCE North 51 degrees 51 minutes 32 seconds East for a distance of 614.80 feet to a Set Rebar and Cap;
 THENCE North 43 degrees 30 minutes 32 seconds East for a distance of 356.90 feet to a Set Rebar and Cap;
 THENCE North 37 degrees 08 minutes 30 seconds East for a distance of 867.76 feet to a Set Rebar and Cap;
 THENCE South 01 degrees 11 minutes 25 seconds East for a distance of 3786.37 feet to a Set Rebar and Cap;
 THENCE South 14 degrees 06 minutes 01 seconds East for a distance of 1963.92 feet to a Set Rebar and Cap;
 THENCE South 46 degrees 46 minutes 13 seconds East for a distance of 2346.19 feet to a Set Rebar and Cap;
 THENCE South 35 degrees 28 minutes 58 seconds East for a distance of 2513.18 feet to a Found 1_ inch pipe;
 THENCE South 00 degrees 26 minutes 13 seconds East for a distance of 454.14 feet to a Found 1 1/4 inch Pipe;
 THENCE South 21 degrees 02 minutes 44 seconds East for a distance of 1024.95 feet to a Found 1 inch Pipe;
 THENCE South 58 degrees 56 minutes 06 seconds East for a distance of 1305.98 feet to a Set Rebar and Cap;
 THENCE South 21 degrees 40 minutes 06 seconds East for a distance of 1090.00 feet to a Set Rebar and Cap;
 THENCE South 16 degrees 49 minutes 18 seconds East for a distance of 670.61 feet to a Set Rebar and Cap;
 THENCE South 27 degrees 37 minutes 24 seconds East for a distance of 417.37 feet to a Set Rebar and Cap;

THENCE South 34 degrees 57 minutes 31 seconds East for a distance of 1591.55 feet to a Set Rebar and Cap;

THENCE South 17 degrees 03 minutes 42 seconds East for a distance of 671.55 feet to a Set Rebar and Cap;

THENCE South 13 degrees 30 minutes 34 seconds East for a distance of 201.72 feet to a Set Rebar and Cap;

THENCE South 32 degrees 01 minutes 22 seconds East for a distance of 1251.79 feet to a Set Rebar and Cap;

THENCE South 29 degrees 39 minutes 08 seconds East for a distance of 1965.80 feet to a Set Rebar and Cap;

THENCE South 62 degrees 51 minutes 44 seconds East for a distance of 963.69 feet to a Set Rebar and Cap;

THENCE South 28 degrees 22 minutes 41 seconds East for a distance of 1155.04 feet to a Set Rebar and Cap;

THENCE South 40 degrees 30 minutes 41 seconds East for a distance of 504.40 feet to a Set Rebar and Cap;

THENCE South 35 degrees 46 minutes 30 seconds East for a distance of 526.02 feet to a Set Rebar and Cap;

THENCE South 31 degrees 00 minutes 51 seconds East for a distance of 1310.16 feet to a Set Rebar and Cap;

THENCE South 45 degrees 45 minutes 08 seconds East for a distance of 722.73 feet to a Set Rebar and Cap;

THENCE South 79 degrees 06 minutes 41 seconds West for a distance of 542.50 feet to a Found 1 1/4 inch Pipe;

THENCE South 68 degrees 57 minutes 41 seconds West for a distance of 426.22 feet to a Found 1 1/4 inch Pipe;

THENCE South 29 degrees 59 minutes 21 seconds West for a distance of 6415.62 feet to a Found 1 1/4 inch Pipe;

THENCE South 10 degrees 15 minutes 41 seconds West for a distance of 1357.16 feet to a Found 1/2 inch Rebar;

THENCE South 08 degrees 24 minutes 03 seconds West for a distance of 1848.84 feet to a Found 1/2 inch Rebar, to the point and place of beginning.

TRACT 3. BARTLETT RANCH

BEGINNING at the Northwest Corner, situated on the Colorado-New Mexico Boundary Line, and on top of the Costilla or Sangre de Cristo Range of Mountains. Set a sandstone 30 x 18 x 12 inches one-half in the ground, marked "N. W. Cor. Bt." on south face and "Colo." on the north face, and surrounded by mound of stones 4 feet base and 3 feet high. Whence the 121st Mile Stone on said State Line bears West forty chains distant;

THENCE East on State Boundary on retracement of old established line 40.00 chains to 120th Mile Stone on state line 10 x 12 x 5 inches above ground, and marked "120 M." on east, "68" on west, "Colo" on north and "N. M." on south faces;

THENCE North 89 degrees East 80.00 chains to 119th Mile stone, marked "119 M." on east, "68" on west, "Colo" on north and "N. M." on south faces;

THENCE North 88 degrees 15 minutes East 80.00 chains to 118th Mile Stone, marked "118 M." on east, "68" on west, "Colo" on north and "N. M." on south faces;

THENCE South 89 degrees 20 minutes East 65.00 chains to Rito del Ricardo or Vermejo Creek, course Southeast 80.00 chains to 117th Mile Stone, a sandstone 18 x 10 x 6 inches, marked "117 M." on east, "68" on west, "Colo" on north and "N. M." on south faces;

THENCE East 80.60 chains to 116th Mile Stone, a solid sandstone in place 5 x 3 x 3 feet and marked "116 M.", "Colo", "N. M." and "68";

THENCE North 89 degrees 15 minutes East 61.00 chains High sharp ridge known as the "Stonewall", bears North 20 degrees E. S. 65 degrees West 80.00 chains to 115th Mile Stone, a sandstone 20 x 8 x 6

inches above ground, marked "115 M." etc., an astronomical monument, a sandstone, 18 x 14 inches and 3 feet high, marked "1868" on east, "N. L. 37" on west, "Colo." on north and "N. M." on south, bears east 8.15 chains distant;

THENCE East 80.00 chains to 114th Mile Stone, marked "114 M." etc., 158.50 chains to 113th Mile stone, a sandstone 10 x 24 x 6 inches above ground, marked "113 M." etc.;

THENCE South 89 degrees 15 minutes East 78.50 chains to 112th Mile Stone, a sandstone, marked "112 M." etc.;

THENCE North 89 degrees 40 minutes East 6.0 chains Gonzales Canon and road, course South 40 to 60 chains south edge of large lake bed bears North 10 chains distant 78.40 chains to 111th Mile Stone, a sandstone 15 x 12 x 8 inches above ground, marked "111 M." etc.;

THENCE South 88 degrees East 44.0 chains to meander Corner No. 1 and 10th Mile Stone on north boundary of this tract and on state line, set a sandstone 24 x 20 x 5 inches, marked "Bt. M. C. 1"; also "Bt. 10 M." on west face for meander Corner No. 1 and 10th Mile Stone, whence the 111th Mile Stone on state line bears North 88 degrees West 44 chains distant. A 12 inch spruce tree marked "Bt. M. C. 1" bears North 10 degrees 30 minutes West 30 links distant. A 10 inch spruce tree, marked "Bt. M. C. 1", bears South 18 degrees East 27 links distant;

THENCE South 16 degrees 56 minutes East on meander of Red River and Vermejo Divide 8.50 chains to M. C. 2, sandstone corner, marked "Bt. M. C. 2". An 18 inch bearing tree bears south 18 degrees 30 minutes West 72 links distant. A 20 inch bearing tree bears North 73 degrees 30 minutes East 224 links distant;

THENCE South 79 degrees 30 minutes East 16.50 chains to M. C. 3, a sandstone Corner, marked "Bt. M. C. 3". Whence a 14 inch pine bearing tree bears North 43 degrees East 30 links distant. An 8 inch bearing tree bears South 23 degrees West 100 links distant;

THENCE South 09 degrees 30 minutes East 28.50 chains to M. C. 4, sandstone, marked "Bt. M. C. 4". An 8 inch pine bearing tree bears South 20 degrees 30 minutes West 90 links distant. A 20 inch bearing tree bears North 88 degrees West 76 links distant;

THENCE South 70 degrees 50 minutes East 21.15 chains to M. C. 5, sandstone, marked "Bt. M. C. 5". Whence a 20 inch spruce bearing tree bears North 73 degrees East 65 links distant;

THENCE South 17 degrees 30 minutes East 5.35 chains to 11th Mile Stone, marked "Bt. 11 M." An 8 inch bearing tree bears South 64 degrees East 85 links distant. A 10 inch bearing tree bears North 28 degrees West 136 links distant 34.95 chains to M. C. 6, sandstone, marked "Bt. M. C. 6". A 16 inch bearing tree bears South 45 links distant;

THENCE South 69 degrees 30 minutes East 50.40 chains to 12th Mile Stone, marked "Bt. 12 M". An 8 inch bearing tree bears North 20 degrees 30 minutes West 65 links distant 65.40 chains to M. C. 7, a sandstone marked "Bt. M. C. 7". A 6 inch bearing tree bears South 50 degrees West 50 links distant;

THENCE South 27 degrees 30 minutes East 46.15 chains to M. C. 8, sandstone, marked "Bt. M. C. 8". A 10 inch bearing tree bears North 80 degrees East 65 links distant;

THENCE South 10 degrees West 18.85 chains to 13th Mile Stone, marked "Bt. 13 M." A 12 inch bearing tree bears South 65 links distant 22.85 chains to M. C. 9, sandstone, marked "Bt. M. C. 9". A 12 inch bearing tree bears South 11 degrees 30 minutes West 45 links distant;

THENCE South 51 degrees West 35.00 chains to M. C. 10, a large sandstone, marked "Bt. M. C. 10" and a 10 inch bearing tree bears North 50 degrees East 12 links distant;

THENCE South 22 degrees 30 minutes East 41.00 chains to 14th Mile Stone, marked "Bt. 14 M". An 8 inch bearing tree bears South 82 degrees East 15 links distant 61.00 chains to M. C. 11, a sandstone marked "Bt. M. C. 11". A 16 inch bearing tree bears South 17 degrees West 17 links distant. An 18 inch bearing tree bears North 64 degrees East 16 links distant;

THENCE South 37 degrees 30 minutes East 60.00 chains to M. C. 12, and 15th Mile Stone, marked "Bt. M. C. 12" and "15 M". A 16 inch bearing tree bears North 05 degrees West 26 links distant. A 10 inch bearing tree bears South 11 degrees 30 minutes West 100 links distant;

THENCE South 71 degrees 30 minutes East 25.50 chains to M. C. 13, sandstone, marked "Bt. M. C. 13";

THENCE South 18 degrees 30 minutes East 21.00 chains to M. C. 14, sandstone, marked "Bt. M. C. 14". An 8 inch bearing tree bears North 18 degrees West 54 links distant;

THENCE South 89 degrees 30 minutes East 28.00 chains to M. C. 15, sandstone, marked "Bt. M. C. 15". A 12 inch bearing tree bears North 23 degrees East 32 links distant;

THENCE South 14 degrees East 5.50 chains to 16th Mile Stone, marked "Bt. 16 M". A 12 inch bearing tree bears North 80 degrees West 100 links distant 25.50 chains to M. C. 16, sandstone, marked "Bt. M. C. 16";

THENCE South 61 degrees East 17.50 chains to M. C. 17, sandstone, marked "Bt. M. C. 17". A 12 inch bearing tree bears North 39 degrees 30 minutes East 60 links distant. A 14 inch bearing tree bears South 54 degrees West 100 links distant;

THENCE South 28 degrees East 10.70 chains to M. C. 18, an 8 inch pine post, marked "Bt. M. C. 18". An 8 inch bearing tree bears North 20 degrees West 12 links distant;

THENCE South 80 degrees 30 minutes East 24.50 chains to M. C. 19. An 8 inch post, marked "Bt. M. C. 19". A 10 inch bearing tree bears North 26 degrees East 45 links distant;

THENCE South 61 degrees 30 minutes East 6.80 chains to M. C. 20, sandstone, marked "Bt. M. C. 20"; also " 17 M". A 10 inch bearing tree bears North 55 degrees West 40 links distant;

THENCE South 39 degrees 30 minutes East 6.50 chains to M. C. 21, sandstone, marked "Bt. M. C. 21". A 12 inch bearing tree bears North 27 degrees 30 minutes East 28 links distant;

THENCE South 73 degrees 30 minutes East 19.00 chains to M. C. 22, sandstone, marked "Bt. M. C. 22". An 8 inch bearing tree bears North 84 degrees East 42 links distant. A 6 inch bearing tree bears South 60 degrees East 22 links distant;

THENCE South 06 degrees 30 minutes West 20.00 chains to M. C. 23, sandstone marked "Bt. M. C. 23". An 8 inch bearing tree bears South 37 degrees East 28 links distant. A 10 inch bearing tree bears North 39 degrees East 110 links distant.

THENCE South 71 degrees 30 minutes East 20.00 chains to M. C. 24, sandstone, marked "Bt. M. C. 24". A 10 inch bearing tree bears North 22 degrees 30 minutes West 90 links distant;

THENCE South 43 degrees 30 minutes East 10.50 chains to M. C. 23, sandstone, marked "Bt. M. C. 25".

THENCE South 34 degrees 30 minutes East 4.00 chains to 18th Mile Stone, marked "Bt. 18 M". A 10 inch bearing tree bears North 85 degrees East 150 links distant 6.20 chains to M. C. 26 sandstone, marked "Bt. M. C. 26". Situated on Top of String and York Canons divides. An eight inch bearing tree bears North 59 degrees East 80 links distant. A 16 inch bearing tree bears South 50 degrees West 27 links distant.

THENCE South 67 degrees East across York Canon drainage from Spring Canon Divide to Red River Divide, 42.00 chains to M. C. 27, sandstone, marked "Bt. M. C. 27". A 6 inch bearing tree bears South 30 degrees East 30 links distant.

THENCE North 89 degrees East 35.80 chains to 19th Mile Stone, marked "Bt. 19 M". An 8 inch bearing tree bears North 86 degrees East 50 links distant 70.80 chains to M. C. 28, sandstone, marked "Bt. M. C. 28".

THENCE North 59 degrees East 15.00 chains West Fort of York Canon, course Southeast 35.00 chains top of divide between two forks of canon, bears Northwest and Southeast 45.00 chains to 20th Mile Stone, marked "Bt. 20 M". A 12 inch bearing tree bears South 65 degrees 20 minutes West 160 links distant. A 12 inch bearing tree bears South 53 degrees 30 minutes West 180 links distant 50.00 chains Main Fork of York Canon. Course South 20 degrees East 87.00 chains to M. C. 29, sandstone, marked "Bt. M. C. 29".

On top of divide between Trail and York Canons. A 10 inch bearing tree bears South 83 degrees 40 minutes West 70 links distant. A 14 inch bearing tree bears South 11 degree 30 minutes East 60 links distant.

THENCE North 02 degrees 30 minutes West 26.00 chains to M. C. 30, sandstone boulder 20 x 10 x 10 feet marked "Bt. M. C. 30".

An 18 inch bearing tree bears East 20 links distant.

THENCE North 19 degrees 30 minutes East 12.00 chains to 21st Mile Stone, marked "Bt. 21 M". A 16 inch bearing tree, bears North 59 degrees West 160 links distant. An 18 inch bearing tree bears South 25 degrees East 100 links distant 37.15 chains to M. C. 31. A 16 inch stump marked "Bt. M. C. 31". A 20 inch bearing tree bears North 46 degrees 30 minutes East 75 links distant.

THENCE North 31 degrees East 10.45 chains to M. C. 32 sandstone boulder 6 x 4 x 4 feet, marked "Bt. M. C. 32".

THENCE North 88 degrees East 22.50 chains to M. C. 33, sandstone, marked, "Bt. M. C. 33". A twenty inch bearing tree bears South 21 degrees East 16 links distant;

THENCE North 37 degrees 30 minutes East 21.90 chains to 22nd Mile Stone, sandstone, marked "Bt. 22 M". 29.15 chains to m. C. 34, sandstone, marked "Bt. M. C. 34". An 18 inch bearing tree bears North 70 degrees East 105 links distant.

THENCE North 63 degrees East 14.50 chains to M. C. 35, sandstone, marked "Bt. M. C. 35". On top of Red River and Vermejo divide. An 8 inch bearing tree bears North 46 degrees 30 minutes West 40 links distant. An 8 inch bearing tree bears South 02 degrees 30 minutes East 90 links distant.

THENCE South 61 degrees 50 minutes East following top of Red River and Vermejo divide, 58.25 chains to 23rd Mile Stone, marked "Bt. 23 M". 84.40 chains to M. C. 36, sandstone, marked "Bt. M. C. 36". A 6 inch bearing tree bears South 33 degrees 45 minutes West 75 links distant.

THENCE South 84 degrees 45 minutes East 53.85 chains to 24th Mile Stone, marked "Bt. 24 M". A 6 inch bearing tree, bears North 66 degrees East 95 links distant 54.95 chains to M. C. 37, sandstone, marked "Bt. M. C. 37". A 6 inch bearing tree bears North 28 degrees 30 minutes West 42 links distant. A 4 inch bearing tree bears South 58 degrees East 75 links distant.

THENCE North 74 degrees 45 minutes East 78.90 chains to 25th Mile Stone, marked "Bt. 25 M". 98.90 chains to M. C. 38, sandstone, marked "Bt. M. C. 38". A 12 inch bearing tree bears South 65 degrees East 65 links distant.

THENCE South 80 degrees 05 minutes East 34.80 chains to 26th Mile Stone, marked "B. T. 26 M". A 12 inch bearing tree bears South 56 degrees 30 minutes East 14 links distant. A 10 inch bearing tree bears North 13 degrees East 10 links distant 44.00 chains to M. C. 40, sandstone, marked "Bt. M. C. 40". A 10 inch bearing tree bears North 32 degrees East 115 links distant.

THENCE South 64 degrees 50 minutes East 43.30 chains to M. C. 41, sandstone, marked "Bt. M. C. 41". A 12 inch bearing tree bears North 68 degrees East 80 links distant. An 8 inch tree bears South 16 degrees 30 minutes East 100 links distant.

THENCE South 23 degrees 30 minutes East 27.40 chains to 27th Mile Stone, marked "Bt. 27 M". A 6 inch bearing tree bears North 76 degrees 30 minutes West 80 links distant 30.75 chains to M. C. 42, sandstone, marked "Bt. M. C. 42". A 10 inch bearing tree bears South 79 degrees East 90 links distant.

THENCE South 48 degrees 20 minutes East 19.24 chains to M. C. 43, sandstone, marked "Bt. M. C. 43". A 4 inch bearing tree bears South 60 degrees West 62 links distant.

THENCE North 82 degrees 45 minutes East 32.65 chains to M. C. 44, sandstone, marked "Bt. M. C. 44". An 8 inch bearing tree bears North 46 degrees West 42 links distant.

THENCE North 77 degrees 30 minutes East 20.30 chains to M. C. 45, sandstone, marked "Bt. M. C. 45". An 8 inch bearing tree bears North 56 degrees East 84 links distant.

THENCE South 45 degrees East 4.40 chains to 28th Mile Stone, marked "Bt. 28 M", 28.75 chains to M. C. 46, sandstone, marked "Bt. M. C. 46". An 8 inch bearing tree bears West 25 links distant.

THENCE North 65 degrees 15 minutes East 31.25 chains to M. C. 47, sandstone, marked "Bt. M. C. 47". A 10 inch bearing tree bears South 77 degrees West 35 links distant.

THENCE South 60 degrees 45 minutes East 24.40 chains to 29th Mile Stone on solid sandstone ledge, marked "Bt. 29 M.". 33.35 chains to M. C. 48, sandstone, marked "Bt. M. C. 48".

THENCE North 81 degrees East 21.10 chains to M. C. 49, sandstone, marked "Bt. M. C. 49". A 10 inch bearing tree bears South 87 degrees West 35 links distant.

THENCE North 53 degrees 30 minutes East 14.30 chains to M. C. 50, sandstone, marked, "Bt. M. C. 50".

THENCE North 78 degrees 40 minutes East 24.40 chains to M. C. 51, sandstone, marked "Bt. M. C. 51".

THENCE South 11 degrees 50 minutes East 11.25 chains to 30th Mile Stone, a solid sandstone ledge, marked "Bt. 30 M." A 6 inch bearing tree bears North 56 degrees East 40 links distant. An 8 inch bearing tree bears South 66 degrees West 60 links distant 29.15 chains to M. C. 52, sandstone, marked "Bt. M. C. 52". A 10 inch bearing tree bears North 30 degrees West 22 links distant.

THENCE South 61 degrees 50 minutes East 48.00 chains to M. C. 53, sandstone, marked "Bt. M. C. 53". An 8 inch bearing tree bears South 52 degrees West 72 links distant. A 6 inch bearing tree bears North 31 degrees East 75 links distant.

THENCE South 28 degrees 40 minutes East 14.10 chains to 31st Mile Stone, marked "Bt. 31 M." A 16 inch bearing tree bears South 35 degrees West 60 links distant. 18.40 chains to M. C. 54, sandstone, marked "Bt. M. C. 54".

THENCE South 58 degrees 30 minutes East 27.50 chains to M. C. 55, sandstone, marked "Bt. M. C. 55". A 6 inch bearing tree bears South 78 degrees 30 minutes West 47 links distant.

THENCE North 45 degrees 15 minutes East 34.40 chains to M. C. 56, sandstone, marked "Bt. M. C. 56".

THENCE South 44 degrees 40 minutes East 13.80 chains to 32nd Mile Stone, marked "Bt. 32 M". 20.60 chains to M. C. 57, sandstone, marked "Bt. M. C. 57". An 18 inch bearing tree bears South 60 degrees West 42 links distant.

THENCE South 70 degrees 45 minutes East 14.15 chains to M. C. 58, sandstone, marked "Bt. M. C. 58". A 10 inch bearing tree bears South 20 degrees East 50 links distant.

THENCE South 18 degrees 10 minutes East. 15.80 chains to M. C. 59, sandstone, marked "Bt. M. C. 59". A 10 inch bearing tree bears South 10 degrees West 25 links distant.

THENCE South 65 degrees 40 minutes East 23.15 chains to M. C. 60, sandstone, marked "Bt. M. C. 60".

THENCE South 26 degrees 40 minutes East 20.10 chains to 33rd Mile Stone, marked "Bt. 33 M". Whence a 16 inch bearing tree bears South 63 degrees 20 minutes West 42 links distant 23.40 chains to M. C. 61, sandstone, marked "Bt. M. C. 61". A 10 inch bearing tree bears South 55 degrees 20 minutes West 30 links distant.

THENCE South 61 degrees 40 minutes East 32.80 chains to M. C. 62, a 12 inch post, marked "Bt. M. C. 62".

THENCE South 78 degrees 25 minutes East 34.00 chains to M. C. 63, sandstone, marked "Bt. M. C. 63". An 8 inch bearing tree bears South 27 degrees 30 minutes West 14 links distant.

THENCE South 56 degrees 55 minutes East 9.90 chains to 34th Mile Stone, sandstone, marked "Bt. 34 M". A 12 inch bearing tree bears South 34 degrees West 25 links distant 11.10 chains to M. C. 64, a 6" post, marked "Bt. M. C. 64". A 14 inch bearing tree bears South 57 degrees East 20 links distant.

THENCE North 70 degrees 35 minutes East 5.25 chains to M. C. 65, sandstone, marked "Bt. M. C. 65".

THENCE South 83 degrees 55 minutes East 20.20 chains to M. C. 66, sandstone, marked "Bt. M. C. 66". An 8 inch bearing tree, bears North 08 degrees East 80 links distant.

THENCE South 61 degrees 45 minutes East 8.50 chains to Northeast Corner of Bartlett tract, on divide at head of Crow Creek, Cottonwood and Potato Canon. Set a sandstone 36 x 34 x 10 inches, marked "Bt. N. E. Cor." Raise mound of stones 6 foot base and 5 feet high. Set a sandstone 30 x 24 x 6 inches in top of mound, marked "Bt. N. E. Cor." A 14 inch bearing tree bears South 67 degrees 30 minutes West 60 links distant. A 15 inch bearing tree bears North 62 degrees 30 minutes West 90 links distant. Fisher's Peak bears North 43 degrees 15 minutes East about twenty-one miles distant from the Northeast Corner.

THENCE South 11 degrees 30 minutes East on East boundary, along Crow Creek and Vermejo Divide 8.20 chains to M. C. No. 1 of East Boundary, a sandstone, marked "Bt. M. C. 1". A 20 inch bearing tree bears North 17 degrees East 50 links distant.

THENCE South 17 degrees 30 minutes West 12.30 chains to M. C. 2, sandstone, marked "Bt. M. C. 2". A 22 inch bearing tree bears North 07 degrees West 60 links distant. An 18 inch bearing tree bears South 66 degrees 30 minutes East 65 links distant.

THENCE South 28 degrees 45 minutes East 11.40 chains to M. C. 3, solid sandstone ledge, marked "Bt. M. C. 3". A 10 inch bearing tree bears South 64 degrees 45 minutes East 6 links distant.

THENCE South 09 degrees 45 minutes East 21.25 chains to M. C. 4, a 14 inch post, marked "Bt. M. C. 4". A 14 inch bearing tree bears North 33 degrees 10 minutes West 20 links distant.

THENCE South 24 degrees 15 minutes East 9.20 chains to M. C. 5, sandstone, marked "Bt. M. C. 5". A 12 inch bearing tree bears South 65 degrees 45 minutes East 6 links distant. A 16 inch bearing tree bears North 51 degrees West 10 links distant.

THENCE South 09 degrees 45 minutes East 9.60 chains to M. C. 6, on solid sandstone ledge, marked "Bt. M. C. 6". A 12 inch bearing tree bears North 75 degrees East 12 links distant.

THENCE South 41 degrees 15 minutes East 7.05 chains to first Mile Stone on East boundary marked "Bt. 1 M". 17.05 chains to M. C. 7, sandstone, marked "Bt. M. C. 7". A 20 inch bearing tree bears North 34 degrees West 50 links distant. A 15 inch bearing tree bears South 38 degrees East 75 links distant.

THENCE South 22 degrees 45 minutes East 8.00 chains to M. C. 8, sandstone, marked "Bt. M. C. 8". A 22 inch bearing tree bears North 87 degrees West 30 links distant.

THENCE South 12 degrees 30 minutes West 29.00 chains to M. C. 9, sandstone, marked "Bt. M. C. 9". A 12 inch bearing tree bears South 04 degrees East 20 links distant. A 14 inch bearing tree bears North 62 degrees 30 minutes 16 links distant.

THENCE South 47 degrees 30 minutes West 15.75 chains to M. C. 10, a 6 inch post, marked "Bt. M. C. 10". An 8 inch bearing tree bears North 43 degrees 30 minutes East 20 links distant. A 6 inch bearing tree bears South 60 degrees East 12 links distant.

THENCE South 31 degrees 30 minutes West 17.25 chains to 2nd Mile Stone, marked "Bt. 2 M". A 20 inch bearing tree bears North 89 degrees East 40 links distant. A 16 inch bearing tree bears South 68 degrees 30 minutes West 50 links distant 20.40 chains to M. C. 11, sandstone, marked "Bt. M. C. 11". A 12 inch bearing tree bears North 86 degrees East 20 links distant.

THENCE South 15 degrees West 15.00 chains to M. C. 12, sandstone, marked "Bt. M. C. 12". An 8 inch pine tree bears North 63 degrees 30 minutes East 50 links distant.

THENCE South 04 degrees 30 minutes East 19.40 chains to M. C. 13, sandstone, marked "Bt. M. C. 13". A 6 inch tree bears South 16 degrees 30 minutes East 12 links distant.

THENCE South 28 degrees 40 minutes East 6.60 chains to M. C. 14, sandstone, marked "Bt. M. C. 14". An 18 inch bearing tree bears North 50 degrees West 20 links distant.

THENCE South 13 degrees 30 minutes East 5.15 chains to M. C. 15, sandstone, marked "Bt. M. C. 15". A 16 inch bearing tree bears North 45 degrees West 6 links distant.

THENCE South 25 degrees 30 minutes East 22.00 chains to M. C. 16, sandstone, marked "Bt. M. C. 16". A 10 inch bearing tree bears South 50 degrees East 18 links distant.

THENCE South 07 degrees 30 minutes East 8.70 chains to M. C. 17 and 3rd Mile Stone, marked "Bt. M. C. 17 3 M". A 10 inch bearing tree bears North 80 degrees 30 minutes East 20 links distant.

THENCE South 21 degrees 30 minutes East 9.10 chains to M. C. 18, a 6 inch post marked "Bt. M. C. 18".

THENCE South 06 degrees 17 minutes West 19.10 chains to M. C. 19, sandstone, marked "Bt. M. C. 19". A 12 inch bearing tree bears North 12 degrees West 75 links distant.

THENCE South 24 degrees 50 minutes East 18.00 chains to M. C. 20, sandstone, marked "Bt. M. C. 20". A 7 inch bearing tree bears South 40 degrees 30 minutes East 20 links distant.

THENCE South 13 degrees 10 minutes East 15.00 chains to M. C. 21, sandstone, marked "Bt. M. C. 21".

THENCE South 32 degrees 30 minutes East 18.90 chains to 4th Mile Stone, marked "Bt. 4 M". A 14 inch bearing tree bears South 14 degrees East 35 links distant. 39.65 chains to M. C. 22, sandstone, marked "Bt. M. C. 22". A 6 inch bearing tree bears South 85 degrees 30 minutes West 45 links distant. A 5 inch bearing tree bears North 10 degrees 30 minutes East 20 links distant.

THENCE South 22 degrees 30 minutes East 20.40 chains to M. C. 23, sandstone, marked "Bt. M. C. 23". A 12 inch bearing tree bears South 24 degrees 30 minutes West 5 links distant.

THENCE South 28 degrees 15 minutes East 24.88 chains to M. C. 24, sandstone, marked "Bt. M. C. 24"; also marked "N. E. Cor. Wt." for the Northeast Corner of the tract of land heretofore conveyed by Deed to Gustavus A. Whitney, Deed No. 768, dated December First, 1899. A 16 inch bearing tree bears South 04 degrees 30 minutes East 14 links distant. An 18 inch bearing tree bears North 60 degrees West 35 links distant.

THENCE South 61 degrees 57 minutes West on retracement of the North Boundary of the said Whitney tract, 7.15 chains to M. C. 25, sandstone, marked "Bt. M. C. 25". A 6 inch bearing tree bears North 10 degrees East.

THENCE South 44 degrees 36 minutes West 6.90 chains to 5th Mile Stone, marked "Bt. 5 M". An 18 inch bearing tree bears North 10 degrees 30 minutes East 50 links distant 21.07 chains to M. C. 26, sandstone, marked "Bt. M. C. 26". An 8 inch bearing tree bears North 75 degrees East 25 links distant.

THENCE South 61 degrees 05 minutes West 7.70 chains to M. C. 27, sandstone, marked "Bt. M. C. 27". An 18 inch bearing tree bears North 18 degrees East 22 links distant.

THENCE South 43 degrees 05 minutes West 9.00 chains to M. C. 28, sandstone, marked "Bt. M. C. 28". A 12 inch bearing tree bears North 67 degrees 15 minutes East 12 links distant.

THENCE South 42 degrees 51 minutes West 12.10 chains to M. C. 29, sandstone, marked "Bt. M. C. 29". A 14 inch bearing tree bears North 33 degrees 30 minutes West 25 links distant.

THENCE South 64 degrees 15 minutes West 37.03 chains to 6th Mile Stone marked "Bt. 6 M". A 10 inch bearing tree bears North 10 degrees West 60 links distant 40.33 chains to M. C. 30, sandstone, marked "Bt. M. C. 30". A 10 inch bearing tree bears North 18 links distant.

THENCE South 64 degrees 22 minutes West 56.40 chains to M. C. 31, sandstone, marked "Bt. M. C. 31". A 13 inch bearing tree bears North 60 degrees 30 minutes East 104 links distant.

THENCE North 68 degrees 18 minutes West 16.25 chains to M. C. 32, sandstone, marked "Bt. M. C. 32". A 15 inch bearing tree bears North 87 degrees West 105 links distant.

THENCE North 48 degrees 23 minutes West 4.08 chains to 7th Mile Stone, marked "Bt. 7 M". 10.70 chains to M. C. 33, sandstone, marked "Bt. M. C. 33". A 10 inch cedar tree bears South 39 degrees West 22 links distant.

THENCE North 72 degrees 28 minutes West 6.70 chains to M. C. 34, sandstone, marked "Bt. M. C. 34". A 16 inch bearing tree bears North 23 degrees 15 minutes East 35 links distant.

THENCE South 86 degrees 22 minutes West 10.97 chains to M. C. 35, sandstone, marked "Bt. M. C. 35". A 12 inch bearing tree bears North 56 degrees East 10 links distant.

THENCE North 83 degrees 08 minutes West 10.60 chains to M. C. 36, sandstone, marked "Bt. M. C. 36". An 18 inch bearing tree bears South 60 degrees 30 minutes West 16 links distant.

THENCE North 50 degrees 39 minutes West 5.10 chains to M. C. 37, sandstone, marked "Bt. M. C. 37". A 4 inch bearing tree bears North 86 degrees East 27 links distant.

THENCE North 75 degrees 48 minutes West 24.15 chains to M. C. 38, sandstone, marked "Bt. M. C. 38". A 10 inch bearing tree bears South 71 degrees West 24 links distant.

THENCE North 65 degrees 28 minutes West 9.10 chains to M. C. 39, sandstone, marked "Bt. M. C. 39". An 18 inch bearing tree bears North 76 degrees West 70 links distant.

THENCE South 76 degrees 24 minutes West 6.71 chains to 8th Mile Stone, sandstone, marked "Bt. 8 M". A 12 inch bearing tree bears North 08 degrees 30 minutes West 23 links distant 17.08 chains to M. C. 40, sandstone, marked "Bt. M. C. 40". A 12 inch bearing tree bears North 12 degrees, 35 minutes East 6 links distant.

THENCE South 75 degrees 57 minutes West 14.40 chains to M. C. 41, sandstone, marked "Bt. M. C. 41". A 10 inch bearing tree bears North 63 degrees 20 minutes East 74 links distant.

THENCE South 72 degrees 36 minutes West 55.27 chains to 9th Mile Stone, marked "Bt. 9 M". A 16 inch bearing tree bears South 38 degrees West 200 links distant 95.10 chains to M. C. 42, and Northwest Corner of the hereinbefore mentioned Whitney tract. Set a sandstone 30 x 20 x 6 inches, marked "Bt. M. C. 42", on North face and "W. N. W. Cor." on South face. The Quarter (1/4) Corner to Sections Twenty-two (22) and Twenty-seven (27), Township Thirty (30) North of Range Twenty (20) East, bears South 06 degrees West 15 chains distant. A 6 inch bearing tree bears South 51 degrees East 135 links distant. A 20 inch bearing tree bears North 08 degrees 10 minutes West 115 links distant.

THENCE South 02 degrees 14 minutes East on retracement of the West Boundary of the hereinbefore mentioned Whitney tract 4.12 chains to M. C. 43, sandstone, marked "Bt. M. C. 43". A 26 inch bearing tree bears South 53 degrees 30 minutes West 45 links distant.

THENCE South 19 degrees 19 minutes East 11.24 chains to M. C. 44, sandstone, marked "Bt. M. C. 44". A 10 inch bearing tree bears West 70 links distant.

THENCE South 17 degrees 14 minutes East 8.00 chains to M. C. 45, sandstone, marked "Bt. M. C. 45". A 14 inch bearing tree bears North 54 degrees West 75 links distant.

THENCE South 00 degrees 51 minutes West 8.07 chains to M. C. 46, sandstone, marked "Bt. M. C. 46".

THENCE South 36 degrees 11 minutes West 8.70 chains to 10th Mile stone, marked "Bt 10 M". 18.10 chains to M. C. 47, sandstone, marked "Bt. M. C. 47". A 14 inch bearing tree bears North 50 degrees West 3 links distant.

THENCE South 26 degrees 23 minutes West 8.90 chains to M. C. 48, sandstone, marked "Bt. M. C. 48". A 24 inch bearing tree bears South 38 degrees West 30 links distant.

THENCE South 08 degrees East 7.40 chains to M. C. 49, sandstone, marked "Bt. M. C. 49". An 18 inch bearing tree bears North 45 degrees 40 minutes West 65 links distant.

THENCE South 21 degrees 35 minutes West 21.85 chains to M. C. 50, sandstone, marked "Bt. M. C. 50". A 10 inch bearing tree bears South 28 degrees East 50 links distant.

THENCE South 05 degrees West 21.18 chains to M. C. 51, sandstone, marked "Bt. M. C. 51". East bank Caliente arroyo bears West 75 links distant.

THENCE South 10 degrees 10 minutes West 11.20 chains to 11th Mile Stone, marked "Bt. 11 M". Set on the Southwest bank of the Caliente arroyo, 27.20 chains to M. C. 52, sandstone, marked "Bt. M. C. 52".

THENCE South 08 degrees 40 minutes East 42.78 chains to M. C. 53, sandstone, marked "Bt. M. C. 53".

THENCE South 15 degrees 50 minutes West 21.22 chains to 12th Mile Stone, marked "Bt. 12 M". 22.92 chains to M. C. 54, sandstone, marked "Bt. M. C. 54".

THENCE South 08 degrees 10 minutes West 15.00 chains Caliente arroyo course West 36.50 chains to M. C. 55, sandstone, marked "Bt. M. C. 55".

THENCE South 42 degrees 35 minutes West 12.00 chains Caliente arroyo, course South 22.50 chains to M. C. 56, sandstone, marked "Bt. M. C. 56". Corner to Sections Three (3), Four (4), Nine (9) and Ten (10), Township Twenty-nine (29) of Range Twenty (20) East, bears South 37 degrees 30 minutes East 565 links distant.

THENCE South 47 degrees 05 minutes West 17.75 chains to M. C. 57, sandstone, marked "Bt. M. C. 57". A 20 inch bearing tree bears South 13 degrees East 30 links distant.

THENCE South 17 degrees 10 minutes West 1.65 chains to 13th Mile Stone, marked "Bt. 13 M". 10.00 chains Caliente arroyo, course West 15.10 chains to M. C. 58, sandstone, marked "Bt. M. C. 58". Dam and headgate of ditch bears South 73 degrees 20 minutes West 210 links distant.

THENCE North 70 degrees 30 minutes West 3.50 chains Caliente arroyo, course South 12.50 chains to M. C. 59, sandstone, marked "Bt. M. C. 59". A 16 inch bearing tree bears North 01 degree 30 minutes East 80 links distant.

THENCE North 88 degrees 30 minutes West 27.20 chains to M. C. 60, sandstone, marked "Bt. M. C. 60". A 4 inch bearing tree bears North 20 degrees 35 minutes West 85 links distant.

THENCE South 48 degrees 40 minutes West 18.95 chains to M. C. 61, sandstone, marked "Bt. M. C. 61". An 8" bearing tree bears North 28 degrees West 30 links distant.

Thence South 62 degrees 20 minutes West 7.90 chains to 14th Mile Stone, sandstone, marked "Bt. 14 M". 10.00 chains Vermejo

Creek, course Southeast Headgate of ditch bears South 1 chain distant 28.90 chains to M. C. 62, and the Southwest Corner of the hereinbefore mentioned Whitney tract. Set a porphyry stone 30 x 18 x 18 inch, marked "Bt. M. C. 62" on North and "W. S. W. Cor. on E. face". An 18 inch bearing tree bears North 30 degrees West 70 links distant.

THENCE South 47 degrees 05 minutes East on retracement of the South boundary of the hereinbefore mentioned Whitney tract, 26.30 chains to M. C. 63, sandstone, marked "Bt. M. C. 63". A 5 inch bearing tree bears North 01 degree West 20 links distant.

THENCE South 50 degrees 45 minutes East 5.80 chains to M. C. 64, sandstone, marked "Bt. M. C. 64". A 14 inch bearing tree bears South 77 degrees West 75 links distant.

THENCE South 56 degrees 45 minutes East 14.25 chains to M. C. 65, sandstone, marked "Bt. M. C. 65". A 10 inch bearing tree bears North 60 degrees East 20 links distant.

THENCE South 26 degrees 15 minutes East 12.50 chains to 15th Mile Stone, solid sandstone ledge, marked "Bt. 15 M". A 14 inch bearing tree bears North 45 degrees East 32 links distant 20.00 chains to M. C. 66, sandstone, marked "Bt. M. C. 66". A 16 inch bearing tree bears North 72 degrees 30 minutes West 17 links distant.

THENCE South 27 degrees 45 minutes East 16.50 chains to M. C. 67, sandstone, marked "Bt. M. C. 67". An 18 inch bearing tree bears North 35 degrees West 60 links distant.

THENCE South 47 degrees 30 minutes East 12.50 chains to M. C. 68, sandstone, marked "Bt. M. C. 68". A 16 inch bearing tree bears South 25 degrees 30 minutes East 65 links distant.

THENCE North 53 degrees 57 minutes East 7.00 chains Vermejo Creek, course Southeast 16.50 chains to M. C. 69, sandstone, marked "Bt. M. C. 69". Set on top of sandstone bluff 200 feet high on North side of Vermejo Creek. A 16 inch bearing tree bears North 44 degrees East 1 chain distant.

THENCE South 14 degrees 45 minutes East 20.50 chains to M. C. 70, sandstone, marked "Bt. M. C. 70". A 12 inch bearing tree bears North 04 degrees 30 minutes West 55 links distant.

THENCE South 08 degrees 27 minutes East 7.20 chains to 16th Mile Stone, marked "Bt. 16 M". 13.70 chains to M. C. 71, sandstone, marked "Bt. M. C. 71". A 10 inch tree bears South 03 degrees 30 minutes East _____ chains distant.

THENCE South 09 degrees 33 minutes East 12.00 chains to M. C. 72, sandstone, marked "Bt. M. C. 72". A 15 inch bearing tree bears South 65 degrees East 32 links distant. Thence on retracement of North boundary of tract of land surveyed for A. G. Dawson in March, 1902.

THENCE South 27 degrees 07 minutes West 6.10 chains to 24 inch pine tree on fence line on east side of Vermejo Canon, marked "D 12".

THENCE North 75 degrees 20 minutes West 24.00 chains to a 6 inch pinon tree on fence line on first bluffs west of Vermejo Canon, marked "D. 11".

THENCE South 88 degrees 30 minutes West along top of divide between Speilman and rock Wall Canons, 32.24 chains to 12 inch pinon tree on fence line, marked "D. 10".

THENCE North 72 degrees 07 minutes West 37.35 chains to a 6 inch crooked pinon tree on South brow of top of ridge North of Rock Wall Canon and marked "D. 9".

THENCE South 81 degrees 18 minutes West 17.60 chains to an 18 inch pine tree on fence line on North side of bottom of Rock Wall Canon and marked "D. 8".

THENCE North 74 degrees 45 minutes West 6.06 chains to a 16 inch pine tree on fence line on South side of bottom of Canon and marked "D. 7".

THENCE South 80 degrees 25 minutes West 11.10 chains to a 6 inch pinon tree on sandstone bluff south of Canon and marked "D. 6".

THENCE South 60 degrees 24 minutes West along divide between Rock Wall Canon and Rail Canon 18.95 chains to a 14 inch pinon tree on fence line, marked "D. 5".

THENCE South 77 degrees 30 minutes West 22.40 chains to an 18 inch pinon tree on fence line, marked "D. 4".

THENCE South 87 degrees 10 minutes West 12.00 chains to a 16 inch pinon tree on fence line, marked "D. 3".

THENCE North 70 degrees 30 minutes West 30.00 chains to a pinon tree on fence line, marked "D. 2".

THENCE North 65 degrees 16 minutes West 45.0 chains to a dry pinon tree at fence corner, marked "D. 1".

THENCE south 72 degrees 50 minutes West across Stag Canon 44.00 chains to the Northwest corner of Dawson tract and William French tract. An 8 inch post, marked "W. S. 25"; also marked "Bt. M. C. 47", being the meander corner No. 47 on South boundary of the former survey of the Bartlett tract.

THENCE South 25 degrees 23 minutes West on retracement of portion of West boundary of the aforesaid "W. S." tract. 4.43 chains to 8th Mile Stone, marked "Bt. 8 M". A 4 inch bearing tree bears North 77 degrees East 60 links distant 84.43 chains to 9th Mile Stone on North bank of the Van Brimmer arroyo, course East. A sandstone, marked "Bt. 9 M." 97.00 chains to M. C. 48, on West boundary of the "W. S." tract. A 6 inch post, marked "Bt. M. C. 48" on North face.

THENCE North 85 degrees 47 minutes West 62.00 chains to M. C. 49 on top of ridge South of Van Brimmer and North of Valdez Canons. A sandstone, marked "Bt. M. C. 49". A 6 inch bearing tree bears South 47 degrees East 50 links distant. A 4 inch bearing tree bears North 06 degrees East 72 links distant.

THENCE North 35 degrees 32 minutes West 5.88 chains to 10th Mile Stone, sandstone, marked "Bt. 10 M". An 18 inch bearing tree bears South 52 degrees 30 minutes East 235 links distant. A 6 inch bearing tree bears South 60 degrees West 120 links distant 76.98 chains to M. C. 50, sandstone, marked "Bt. M. C. 50". A 5 inch bearing tree bears North 66 degrees 30 minutes West 60 links distant.

THENCE South 65 degrees 28 minutes West 5.00 chains to M. C. 51, sandstone, marked "Bt. M. C. 51". A 6 inch pine tree bears South 73 degrees 30 minutes West 35 links distant. A 12 inch bearing tree bears North 55 degrees East 30 links distant.

THENCE North 57 degrees 32 minutes West 3.90 chains to 11th Mile Stone, marked "Bt. 11 M". A 6 inch bearing tree bears South 42 degrees West 85 links distant. A 12 inch cedar bearing tree bears South 08 degrees 30 minutes East 75 links distant 25.11 chains to M. C. 52, sandstone, marked "Bt. M. C. 52".

THENCE North 44 degrees 12 minutes West 48.00 chains to M. C. 53, sandstone, marked "Bt. M. C. 53". A 4 inch bearing tree bears South 60 degrees East 30 links distant. A 5 inch bearing tree bears South 07 degrees 30 minutes East 55 links distant.

THENCE North 89 degrees 42 minutes West 10.79 chains to 12th Mile Stone, marked "Bt. 12 M". An 8 inch bearing tree bears South 65 degrees East 10 links distant 18.82 chains to M. C. 54, sandstone, marked "Bt. M. C. 54". A 14 inch bearing tree bears South 06 degrees West 15 links distant.

THENCE South 75 degrees 18 minutes West 14.30 chains to M. C. 55, a 12 inch post, marked "Bt. M. C. 55". A 14 inch bearing tree bears North 05 degrees West 58 links distant.

THENCE North 24 degrees 47 minutes West 57.67 chains to 13th Mile Stone, marked "Bt. 13 M". A 12 inch bearing tree bears North 10 degrees West 6 links distant 62.37 chains to M. C. 56, sandstone, marked "Bt. M. C. 56". A 16 inch bearing tree bears South 40 degrees 40 minutes East 50 links distant.

THENCE North 47 degrees 17 minutes West 26.82 chains to M. C. 57, sandstone, marked "Bt. M. C. 57". A 4 inch bearing tree bears South 43 degrees West 55 links distant.

THENCE North 08 degrees 52 minutes West 35.00 chains to M. C. 58, sandstone, marked "Bt. M. C. 58". A 15 inch bearing tree bears North 42 degrees West 35 links distant.

THENCE North 64 degrees 34 minutes West 13.48 chains to 14th Mile Stone, marked "Bt. 14 M". A 6 inch bearing tree bears North 63 degrees 30 minutes West 12 links distant. A 24 inch bearing tree bears South 25 degrees 30 minutes West 65 links distant 15.51 chains to M. C. 59, sandstone, marked "Bt. M. C. 59". A 14 inch bearing tree bears North 76 degrees 30 minutes West 35 links distant.

THENCE North 21 degrees 19 minutes West 25.00 chains to M. C. 60, sandstone, marked "Bt. M. C. 60". A 30 inch bearing tree bears South 01 degree East 53 links distant. A 15 inch bearing tree bears South 87 degrees East 76 links distant.

THENCE North 01 degrees 04 minutes West 20.00 chains to M. C. 61, sandstone, marked "Bt. M. C. 61". An 18 inch bearing tree bears South 89 degrees West 6 links distant.

THENCE North 36 degrees 04 minutes West 11.25 chains to M. C. 62, sandstone, marked "Bt. M. C. 62". A 10 inch bearing tree bears North 85 degrees West 20 links distant.

THENCE North 75 degrees 04 minutes West 21.70 chains to M. C. 63 and 15th Mile Stone, marked "Bt. M. C. 63" and "Bt. 15 M".

THENCE North 47 degrees 34 minutes West 10.45 chains to M. C. 64, sandstone, marked "Bt. M. C. 64". An 8 inch bearing tree bears South 43 degrees East 75 links distant.

THENCE North 80 degrees 34 minutes West 53.00 chains to M. C. 65, sandstone, marked "Bt. M. C. 65". A 12 inch bearing tree bears South 35 degrees 30 minutes East 44 links distant. A 15 inch bearing tree bears South 64 degrees West 40 links distant.

THENCE South 77 degrees 26 minutes West 16.55 chains to M. C. 66 and 16th Mile Stone, marked "Bt. M. C. 66" and "Bt. 16 M". A 24 inch bearing tree bears South 54 degrees West 65 links distant. A 12 inch bearing tree bears South 70 degrees East 75 links distant.

THENCE North 66 degrees 49 minutes West 33 chains to a stone marked "Bt. N. E. Cor." being the northeast corner of the tract conveyed by The Maxwell Land Grant Company to Mary W. Bartlett, July 29, 1902. A 20 inch bearing tree bears North 82 degrees 13 minutes West 1.10 chains distant. Corner is set against west side of a 28 inch pine which forms corner post at point where Griffin's fence meet original Bartlett Line. Thence crossing Valdez, Cerrososo and Look Out Canons on the following courses and distances:

South 32 degrees 30 minutes West 48.30 chains to M. C. #1. A sandstone set in mound of stones and marked "Bt. 21". A 20 inch bearing tree bears South 25 degrees 17 minutes West 18 links distant. A 22 inch bearing tree bears North 50 degrees East 5 links distant.

THENCE South 54 degrees West 72.44 chains to M. C. #2 on point between Cerrososo and a tributary canon. A sandstone 14 x 14 x 3 set in mound of stones, marked "Bt. #2". A 24 inch bearing tree bears South 65 degrees 18 minutes West 1.08 chains distant.

THENCE South 33 degrees 30 minutes West 8.50 chains to middle of Cerrososo Canon.

THENCE South 59 degrees East 17.65 chains to M. C. #3. A sandstone 18 x 18 x 4 in mound of stones, marked "Bt. #3". An 18 inch bearing tree bears North 15 degrees East 6 links distant. A 2 inch stake 12 inches above ground surrounded by mound of stones and marked "S. E. Cor. G." bears South 09 degrees 56 minutes West 48 links distant.

THENCE South 68 degrees 30 minutes West 34.00 chains to M. C. 4. A sandstone 34 x 20 x 5, marked "Bt. 4". A 20 inch bearing tree bears South 73 degrees 30 minutes East 5 links distant.

THENCE South 35 degrees West 42.80 chains to the S. E. Cor. M. C. 5. A sandstone 24 x 18 x 3, marked "Bt. 5 S. E. Cor." An 18 inch bearing tree bears North 08 degrees 48 minutes West 33 links distant.

THENCE North 49 degrees 30 minutes West 12.00 chains to Cor. #6. A sandstone 20 x 40 x 4, marked "Bt. #6". An 18 inch bearing tree bears South 06 degrees East 27 links distant.

THENCE South 85 degrees West 9.00 chains to M. C. #7. A sandstone 22 x 18 x 4, marked "Bt. #7". A 22 inch bearing tree bears South 54 degrees West 9 links distant.

THENCE North 82 degrees 30 minutes West 26.00 chains to M. C. #8. A sandstone 28 x 20 x 5, marked "Bt. #8". A 20 inch bearing tree bears South 66 degrees East 7 links distant.

THENCE North 69 degrees West 15.00 chains to M. C. #9. A sandstone 12 x 8 x 3, marked "Bt. 9". A 20 inch bearing tree bears South 61 degrees East 45 links distant.

THENCE North 27 degrees 35 minutes West 46.00 chains to M. C. #10. A sandstone 20 x 18 x 4, marked "Bt. #10". A 16 inch bearing tree bears South 8 links distant.

THENCE North 82 degrees West 15.00 chains to M. C. 11. A sandstone 16 x 8 x 3, marked "Bt. 11". A 12 inch bearing tree bears North 40 degrees West 45 links distant.

THENCE North 64 degrees 30 minutes West 45.00 chains to M. C. #12. A sandstone 24 x 14 x 3, marked "Bt. #12". A 14 inch bearing tree bears South 42 degrees 10 minutes West 32 links distant.

THENCE North 84 degrees 30 minutes West 26.50 chains to M. C. #13. A sandstone 18 x 16 x 5, marked "Bt. #13". A 20 inch bearing tree bears North 80 degrees 30 minutes West 36 links distant.

THENCE North 71 degrees West 12.44 chains to M. C. #14. A sandstone 18 x 16 x 3, marked "Bt. #14". A 14 inch bearing tree bears South 55 degrees East 6 links distant.

THENCE North 38 degrees 30 minutes West 5.00 chains to M. C. #15. A sandstone 30 x 15 x 4. A 14 inch bearing tree bears South 89 degrees East 13 links distant.

THENCE North 49 degrees 30 minutes West 6.97 chains to M. C. #16. A sandstone 22 x 12 x 5. A 26 inch bearing tree bears North 81 degrees 30 minutes West 18 links distant.

THENCE North 23.42 chains to M. C. #17. A sandstone 28 x 16 x 3. A 10 inch bearing tree bears South 59 degrees 17 minutes West 75 links distant.

THENCE North 34 degrees 30 minutes East 14.00 chains to M. C. #18. A sandstone 28 x 22 x 2. A 24 inch bearing tree bears North 38 degrees 30 minutes East 53 links distant.

THENCE North 46 degrees 30 minutes West 10.00 chains to M. C. #19. A sandstone 24 x 12 x 4. A 14 inch bearing tree bears North 13 degrees West 27 links distant.

THENCE North 75 degrees West 27.71 chains to Cor. #20. A sandstone 20 x 14 x 12. An 8 inch bearing tree bears North 11 degrees East 24 links distant.

THENCE North 48 degrees 30 minutes West 20.00 chains to M. C. #21. A sandstone 22 x 20 x 3. An 18 inch bearing tree bears South 17 degrees 38 links distant.

THENCE North 18.00 chains to M. C. #22. A sandstone 20 x 14 x 3. A 20 inch bearing tree bears North 83 degrees West 42 links distant.

THENCE North 70 degrees West 11.47 chains to M. C. #23. A rock in place 30 x 15 x 10 feet, marked "X Bt. #23". An 8 inch bearing tree bears South 82 degrees 50 minutes East 39 links distant.

THENCE North 32 degrees West 18.31 chains to M. C. #24. A sandstone 20 x 12 x 3. A 5 inch bearing tree bears South 54 degrees 08 minutes East 36 links distant.

THENCE North 15.00 chains to M. C. #25. A sandstone 26 x 14 x 4. A 24 inch bearing tree bears North 24 degrees 30 minutes East 45 links distant.

THENCE North 55 degrees 30 minutes West 10.00 chains to M. C. #26. A sandstone 18 x 12 x 4. A 20 inch bearing tree bears South 32 degrees West 42 links distant.

THENCE North 71 degrees West 45.00 chains to M. C. #27. A sandstone 24 x 14 x 3. An 18 inch bearing tree bears South 77 degrees 30 minutes East 54 links distant.

THENCE North 37 degrees West 15.00 chains to M. C. #28. A sandstone 20 x 12 x 5. A 16 inch bearing tree bears South 65 degrees 40 minutes East 60 links distant.

THENCE North 16 degrees West 15.00 chains to M. C. #29. A sandstone 18 x 14 x 5. A 14 inch bearing tree bears North 03 degrees East 82 links distant.

THENCE North 25 degrees East 39.12 chains to M. C. #30. A sandstone 18 x 16 x 3. An 18 inch bearing tree bears South 89 degrees 10 minutes West 83 links distant. Top of Costilla Peak bears North 76 degrees 36 minutes West. Monument on Baldy Peak bears South 31 degrees 32 minutes West.

THENCE North 42 degrees 30 minutes West 45.00 chains to M. C. #31. A sandstone 26 x 14 x 2. A 24 inch bearing tree bears South 89 degrees 20 minutes East 60 links distant.

THENCE North 63 degrees West 59.00 chains to M. C. #32. A sandstone 30 x 18 x 5. A 24 inch bearing tree bears North 68 degrees East 21 links distant.

THENCE North 57 degrees West 50.00 chains to M. C. #33. A sandstone 24 x 24 x 3. An 18 inch bearing tree bears North 87 degrees 45 minutes West 33 links distant.

THENCE North 80 degrees West 100.00 chains to M. C. #34. A sandstone 26 x 16 x 2. A 5 inch bearing tree bears South 04 degrees 17 minutes West 15 links distant.

THENCE South 80 degrees 30 minutes West 55.00 chains to M. C. #35. A sandstone 30 x 18 x 4. A 6 inch bearing tree bears North 13 degrees East 15 links distant.

THENCE North 69 degrees West 70.00 chains to M. C. 36. A sandstone 14 x 8 x 5. A 3 inch bearing tree bears North 76 degrees East 14 links distant.

THENCE North 20 degrees West 14.89 chains to M. C. #37. A sandstone 18 x 12 x 14. A 3 inch bearing tree bears North 02 degrees 20 minutes West 24 links distant.

THENCE North 29 degrees West 45.00 chains to M. C. #38. A trachyte stone 18 x 6 x 5. A 14 inch bearing tree bears North 60 degrees 40 minutes East 68 links distant.

THENCE North 46 degrees West 66.42 chains to M. C. #39. A sandstone 14 x 10 x 4. A 4 inch bearing tree bears South 11 degrees 30 minutes East 12 links distant.

THENCE North 84 degrees West 5.49 chains to M. C. #40. A stone 24 x 12 x 4. A 3 inch bearing tree bears North 14 degrees 48 minutes East 10 links distant.

THENCE North 83 degrees West 71.85 chains to M. C. #41. A stake set in mound of stones, marked "Bt. #41". Monument on Costilla Peak bears South 63 degrees 36 minutes West Baldy Peak bears South 04 degrees 58 minutes West.

THENCE South 30 degrees 32 minutes West 42.00 chains to M. C. #42. A 2 inch stake in mound of stones, marked "Bt. #42".

THENCE North 84 degrees 30 minutes West 68.00 chains to M. C. #43. A stake set in mound of stones on point east of divide between Rito Leandro and Suree Creeks.

THENCE South 53 degrees 30 minutes West 73.80 chains to the southwest corner. A stake set in mound of stones on top of Costilla Peak; thence in a general northerly direction along the summit of divide dividing the waters flowing east from the waters flowing west, which said divide is the western boundary of the Maxwell Land Grant, as defined in its Patent from the United States Government, dated the 10th day of May 1879, about thirteen and one-quarter miles to the northwest corner, or point of beginning.

Being and intended to be the same pieces and parcels of land described in that certain warranty deed executed by Virginia M. Doulton and Robert M. Doulton, her husband, to Vermejo Club, a corporation, dated the 6th day of November, 1926, recorded in Book 59, pages 207 to 237, inclusive, records of deeds of Colfax County, New Mexico;

EXCEPTING, however, therefrom that certain tract lying partly in Township 31 North of Range 19 East, and partly in Township 30 North of Range 19 East, N. M. P. M., in Colfax County, New Mexico, and more particularly described as follows:

BEGINNING at an initial stone, which is located in York Canon about four hundred thirty (430) feet south and sixty (60) feet west of the junction of the York and the Road Canon water courses, and running thence south 5940 feet and thence east 1320 feet, to the point of beginning, the Southwest corner of this tract; and running

THENCE East 5280 feet, to the southeast corner of this tract;

THENCE North 9900 feet;

THENCE North 26 degrees 34 minutes West 2951.6 feet;

THENCE North 4620 feet, to the northeast corner;

THENCE West 6270 feet;

THENCE North 660 feet;

THENCE West 6930 feet, to the northwest corner;

THENCE South 1980 feet;

THENCE South 29 degrees 45 minutes East 5321.1 feet;

THENCE South 19 degrees 59 minutes East 7725.1 feet;

THENCE East 1320 feet;

THENCE South 33 degrees 41 minutes 30 seconds East 4759.3 feet to the southwest corner of this tract, which is the point of beginning; containing 4125 acres, more or less, and being the same parcel of land conveyed by The Maxwell Land Grant Company, a corporation, to Cherokee and Pittsburg Coal and Mining Company by deed recorded in Book "T", page 333, records of deeds of Colfax County;

EXCEPTING THEREFROM, HOWEVER, certain tracts of lands as follows:

(a) A certain tract of land conveyed by Quitclaim Deed between Vermejo Park Corporation and The County of Colfax dated December 14, 1981, filed December 21, 1981, recorded in Deed Book 146, page 248, records of Colfax County, New Mexico.

(b) A certain tract of land conveyed by Special Warranty Deed between Vermejo Park Corporation and the United States of America c/o Forest Service dated December 30, 1981, filed January 22, 1982, recorded in Deed Book 146, page 395, records of Colfax County, New Mexico.

(c) The Costilla Tract, Taos County, And Westerly Portion Of Old Vermejo Tract 3 (Bartlett Ranch), Colfax County, described above.

TRACT 4: PONIL RANCH

BEGINNING at the Southwest corner of the land conveyed by The Maxwell Land Grant Company to Mary W. Bartlett by Deed No. 904, dated July 29, 1902, filed for record September 25, 1902, in the office of the County Clerk of Colfax County, New Mexico, and recorded in Book "U" of Deeds at page 42, which point is marked by a stake set in mound of stones on top of Costilla Peak; thence in a general southerly and southwesterly direction along the Continued on next page.

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summit of the divide dividing the waters flowing east from the waters flowing west, which said divide is the western boundary of The Maxwell Land Grant, about ten miles to the northeast corner of the Heck tract, which is the tract of land conveyed by The Maxwell Land Grant Company to J. M. Heck by Deed No. 1423, dated December 7, 1922, filed for record December 12, 1992, in the office of the County Clerk of Colfax County, New Mexico, and recorded in Book 50 of Deeds at page 587, said northeast corner being identical with Station M. X. 419; thence in a general southerly direction following the eastern boundary of said Heck tract, on the following courses and distances:

South 15 degrees 47 minutes West	845.33 feet,
South 14 degrees 27 minutes West	164.77 feet,
South 19 degrees 53 minutes East	312.88 feet,
South 18 degrees 25 minutes East	240.07 feet,
South 14 degrees 35 minutes East	229.99 feet,
South 13 degrees 09 minutes East	111.37 feet,
South 17 degrees 15 minutes East	76.14 feet,
South 22 degrees 17 minutes East	393.11 feet,
South 34 degrees 17 minutes East	259.29 feet,
South 42 degrees 40 minutes East	397.00 feet,
South 51 degrees 19 minutes East	292.3 feet,
South 46 degrees 20 minutes East	186.90 feet,
South 27 degrees 37 minutes East	187.78 feet,
South 26 degrees 07 minutes East	434.85 feet,
South 26 degrees 23 minutes East	123.04 feet,
South 20 degrees 58 minutes East	204.04 feet,
South 15 degrees 57 minutes East	217.45 feet,
South 33 degrees 43 minutes East	204.97 feet,
South 35 degrees 26 minutes East	273.62 feet,
South 36 degrees 47 minutes East	344.26 feet,
South 28 degrees 15 minutes West	326.06 feet,

South 12 degrees 28 minutes West	344.81 feet,
South 09 degrees 50 minutes West	201.29 feet,
South 07 degrees 51 minutes West	140.31 feet,
South 06 degrees 13 minutes West	146.00 feet,
South 06 degrees 03 minutes West	280.07 feet,
South 07 degrees 03 minutes West	199.05 feet,
South 13 degrees 23 minutes West	652.04 feet,
South 11 degrees 34 minutes West	517.71 feet,
South 00 degrees 38 minutes West	218.05 feet,
South 04 degrees 17 minutes East	213.79 feet,
South 03 degrees 52 minutes East	245.66 feet,
South 04 degrees 27 minutes East	484.78 feet,
South 02 degrees 52 minutes East	343.69 feet,
South 01 degree 48 minutes East	139.48 feet,
South 04 degrees 18 minutes East	476.47 feet,
South 05 degrees 27 minutes East	331.97 feet,
South 03 degrees 52 minutes East	380.22 feet,
South 01 degree 01 minute East	275.63 feet,
South 09 degrees 10 minutes West	147.59 feet,
South 04 degrees 23 minutes West	544.42 feet,
South 30 degrees 08 minutes East	173.70 feet,
South 10 degrees 23 minutes East	465.87 feet,
South 19 degrees 39 minutes West	284.82 feet,
South 18 degrees 58 minutes East	218.93 feet,
South 06 degrees 06 minutes East	134.01 feet,
South 28 degrees 56 minutes East	384.98 feet,
South 39 degrees 58 minutes East	205.89 feet,
South 24 degrees 54 minutes East	252.64 feet,
South 21 degrees 14 minutes East	252.07 feet,
South 24 degrees 27 minutes East	413.51 feet,
South 28 degrees 34 minutes East	252.35 feet,
South 24 degrees 59 minutes East	217.62 feet,
South 25 degrees 26 minutes East	248.65 feet,
South 29 degrees 11 minutes East	95.58 feet,
South 20 degrees 44 minutes East	189.76 feet,
South 37 degrees 15 minutes East	79.56 feet,
South 24 degrees 46 minutes East	387.57 feet,
South 25 degrees 41 minutes East	289.63 feet,
South 24 degrees 11 minutes East	494.01 feet,
South 23 degrees 54 minutes East	385.89 feet,
South 27 degrees 07 minutes East	252.99 feet,
South 27 degrees 38 minutes East	186.03 feet,
South 27 degrees 08 minutes East	214.97 feet,
South 19 degrees 39 minutes East	77.85 feet,
South 12 degrees 57 minutes East	399.02 feet,
South 15 degrees 15 minutes East	361.20 feet,
South 41 degrees 12 minutes East	202.08 feet,
South 38 degrees 18 minutes East	189.24 feet,
South 38 degrees 33 minutes East	333.34 feet,
South 28 degrees 23 minutes East	275.98 feet,
South 20 degrees 26 minutes East	278.03 feet,
South 11 degrees 28 minutes East	108.18 feet,
South 47 degrees 01 minute East	223.62 feet,
South 51 degrees 07 minutes East	237.56 feet,

South 76 degrees 07 minutes East 196.70 feet,
 South 57 degrees 19 minutes East 879.02 feet,
 South 08 degrees 09 minutes West 1455.31 feet,

to the northeast corner of the LeSage tract, which is the tract of land conveyed by The Maxwell Land Grant Company to Robert S. LeSage by Deed No. 1701, dated February 10, 1950, filed for record September 22, 1950, in the office of the County Clerk of Colfax County, New Mexico, and recorded in Book 87 of Deeds at page 496; thence in a general southerly and southeasterly direction following the eastern boundary of the LeSage tract, on the following courses and distances:

South 44 degrees 34 minutes 10 seconds East 1579 feet,
 South 19 degrees 06 minutes 50 seconds West 1097 feet,
 South 35 degrees 43 minutes 30 seconds East 4115 feet,
 South 12 degrees 13 minutes 25 seconds East 2362 feet,

to a corner of said LeSage tract, located on the top of bald ridge, and marked by a half inch iron pipe; thence, along ridge North 48 degrees 37 minutes East 3301 feet to a point which is located South 32 degrees 53 minutes East 9 feet from M. M. 11; thence North 64 degrees 23 minutes East 1182 feet; thence North 79 degrees 31 minutes East 282 feet to a point marked by a half inch iron pipe; thence South 85 degrees 43 minutes East 281.4 feet; thence South 77 degrees 23 minutes East 2123 feet; thence North 81 degrees 21 minutes East 2190.6 feet; thence, down slope, South 81 degrees 00 minutes East 4123 feet; thence, down slope and along north rim of the South Ponil creek, South 79 degrees 40 minutes 30 seconds East 7646 feet to the southwest corner of the Manning tract, which is the tract of land conveyed by The Maxwell Land Grant Company to Edward R. Manning by Deed No. 1338, dated September 1, 1908, filed for record January 11, 1916, in the office of the County Clerk of Colfax County, New Mexico, and recorded in Book 40 of Deeds at page 261, which point is marked by a sandstone 30 inches by 12 inches by 3 inches set in a mound of stones and chiseled "M. S. W. Cor."; thence North 34.80 chains along the western boundary of said Manning tract to the northwest corner of said tract; thence in a general northeasterly direction along the northwestern boundary of said Manning tract, on the following courses and distances:

North 22 degrees 14 minutes East 33.53 chains,
 North 50 degrees 00 minutes East 7.37 chains,
 North 74 degrees 00 minutes East 28.00 chains,
 North 52 degrees 00 minutes East 40.00 chains,
 North 81 degrees 30 minutes East 10.00 chains,
 North 69 degrees 00 minutes East 55.00 chains,
 North 56 degrees 14 minutes East 34.00 chains,
 North 56 degrees 26 minutes East 32.62 chains,
 North 42 degrees 10 minutes East 77.96 chains,

to the northeast corner of said Manning tract, which is a sandstone 14 inches by 10 inches by 2 inches set in a mound of stones and chiseled "M. N. E. Cor."; and which point is identical with Corner No. 115 of the Phillips tract, which is the tract of land conveyed by The Maxwell Land Grant Company to Waite Phillips by Deed No. 1479, dated January 9, 1930, filed for record April 30, 1930, in the office of the County Clerk of Colfax County, New Mexico, and recorded in Book 61 of Deeds at page 184; thence in a general northerly and northeasterly direction following the

western and northwestern boundaries of said Phillips tract, on the following courses and distances:

North 49 degrees 28 minutes East 1341.9 feet,
 North 50 degrees 07 minutes East 732.4 feet,
 North 47 degrees 37 minutes East 268.5 feet,
 North 05 degrees 42 minutes East 8063.0 feet,
 North 02 degrees 00 minutes East 3626.0 feet,
 North 33 degrees 53 minutes West 4217.5 feet,
 North 53 degrees 09 minutes West 892.5 feet,
 North 86 degrees 40 minutes East 2026.5 feet,
 North 61 degrees 26 minutes East 1405.2 feet,
 South 88 degrees 18 minutes East 422.7 feet,
 South 88 degrees 18 minutes East 735.7 feet,

South 87 degrees 59 minutes East	521.3 feet,
North 70 degrees 22 minutes East	305.3 feet,
North 54 degrees 18 minutes East	3197.6 feet,
North 46 degrees 04 minutes East	1593.1 feet,
North 27 degrees 38 minutes East	1267.6 feet,
North 42 degrees 42 minutes East	2902.5 feet,
North 64 degrees 52 minutes East	546.7 feet,
North 81 degrees 10 minutes East	882.9 feet,
North 44 degrees 21 minutes East	295.0 feet,
North 40 degrees 14 minutes East	208.2 feet,
North 11 degrees 24 minutes East	1001.6 feet,
North 38 degrees 25 minutes East	491.3 feet,
North 33 degrees 26 minutes East	499.5 feet,
North 76 degrees 37 minutes East	957.8 feet,
North 83 degrees 04 minutes East	399.8 feet,
South 87 degrees 43 minutes East	324.9 feet,
North 89 degrees 26 minutes East	516.9 feet,
North 61 degrees 25 minutes East	303.3 feet,
North 35 degrees 46 minutes East	293.0 feet,
South 88 degrees 19 minutes East	235.4 feet,
North 76 degrees 27 minutes East	361.6 feet,
North 74 degrees 12 minutes East	1820.5 feet,
South 63 degrees 29 minutes East	1257.8 feet,
South 66 degrees 58 minutes East	387.8 feet,
South 66 degrees 37 minutes East	394.0 feet,
North 86 degrees 52 minutes East	713.6 feet,
North 80 degrees 57 minutes East	425.0 feet,
South 81 degrees 29 minutes East	389.5 feet,
South 66 degrees 43 minutes East	380.9 feet,

to Corner No. 75 of said Phillips tract, which point is located South 933.2 feet and West 677.3 feet from Corner No. 5 of the tract of land deeded to Mary W. Bartlett by Deed No. 904, dated July 29, 1902; thence in a general southeasterly direction along the northeastern boundary of said Phillips tract, on the following courses and distances:

South 17 degrees 26 minutes West	848.1 feet,
South 05 degrees 42 minutes East	1228.5 feet,
South 21 degrees 00 minutes West	315.0 feet,
South 33 degrees 39 minutes West	236.0 feet,
South 04 degrees 10 minutes West	989.9 feet,
South 20 degrees 50 minutes East	1256.2 feet,
South 32 degrees 54 minutes East	507.0 feet,
South 24 degrees 55 minutes East	522.0 feet,
South 33 degrees 57 minutes East	373.0 feet,
South 27 degrees 10 minutes East	649.4 feet,
South 13 degrees 45 minutes East	326.2 feet,
South 27 degrees 42 minutes East	753.6 feet,
South 55 degrees 06 minutes East	139.0 feet,
South 14 degrees 30 minutes East	977.6 feet,
South 07 degrees 55 minutes East	495.5 feet,
South 20 degrees 30 minutes East	812.9 feet,
South 13 degrees 52 minutes East	1291.4 feet,
South 45 degrees 09 minutes East	911.8 feet,
South 49 degrees 11 minutes East	466.0 feet,
South 67 degrees 02 minutes East	845.6 feet,
South 34 degrees 32 minutes East	404.0 feet,

South 21 degrees 26 minutes East	1109.9 feet,
South 68 degrees 03 minutes East	387.8 feet,
South 68 degrees 17 minutes East	212.5 feet,
South 48 degrees 20 minutes East	1357.8 feet,
North 87 degrees 55 minutes East	654.1 feet,
North 74 degrees 38 minutes East	791.9 feet,
North 69 degrees 53 minutes East	176.1 feet,
South 66 degrees 07 minutes East	614.0 feet,
South 48 degrees 32 minutes East	678.4 feet,
South 65 degrees 16 minutes East	592.0 feet,
South 36 degrees 45 minutes East	568.0 feet,
South 58 degrees 25 minutes East	750.8 feet,
South 57 degrees 49 minutes East	195.0 feet,
South 88 degrees 47 minutes East	676.6 feet,
North 88 degrees 02 minutes East	745.8 feet,
South 77 degrees 35 minutes East	942.7 feet,
South 70 degrees 25 minutes East	196.7 feet,
North 75 degrees 19 minutes East	547.0 feet,
North 71 degrees 14 minutes East	486.3 feet,
South 39 degrees 20 minutes East	786.7 feet,
South 58 degrees 58 minutes East	416.0 feet,
South 59 degrees 35 minutes East	290.0 feet,
South 41 degrees 46 minutes East	556.7 feet,
South 15 degrees 52 minutes East	330.0 feet,
South 02 degrees 30 minutes East	530.0 feet,
South 16 degrees 55 minutes West	644.9 feet,
South 21 degrees 23 minutes East	334.5 feet,
South 32 degrees 02 minutes East	611.0 feet,
South 58 degrees 16 minutes East	567.3 feet,
South 42 degrees 16 minutes East	359.5 feet,
South 36 degrees 57 minutes East	394.9 feet,
South 11 degrees 00 minutes West	1053.9 feet,
South 09 degrees 28 minutes East	1046.4 feet,
South 23 degrees 02 minutes East	458.0 feet,
South 32 degrees 18 minutes East	302.9 feet,
South 01 degree 39 minutes East	571.5 feet,
South 06 degrees 24 minutes West	174.8 feet,
South 18 degrees 53 minutes West	301.4 feet,
South 52 degrees 03 minutes West	233.8 feet,
South 22 degrees 43 minutes West	811.8 feet,
South 10 degrees 48 minutes East	628.9 feet,
South 08 degrees 18 minutes East	248.0 feet,
South 13 degrees 36 minutes East	117.0 feet,
South 07 degrees 16 minutes East	677.5 feet,
South 15 degrees 22 minutes East	303.3 feet,
South 27 degrees 44 minutes East	555.0 feet,
South 51 degrees 30 minutes East	948.8 feet,
South 40 degrees 34 minutes East	552.4 feet,
South 31 degrees 29 minutes East	613.7 feet,
South 38 degrees 46 minutes East	242.0 feet,
South 61 degrees 53 minutes East	251.7 feet,
South 60 degrees 28 minutes East	247.1 feet,
South 52 degrees 41 minutes East	152.6 feet,
South 12 degrees 06 minutes West	561.9 feet,

to Corner No. 19 of the W. S. tract, which is the tract of land conveyed by The Maxwell Land Grant Company to William French by Deed No. 677, dated October 20, 1899, filed for record October 25, 1899, in the office of the County Clerk of Colfax County, New Mexico, in Book "R" of Deeds at page 532; thence North 30 degrees 38 minutes East 2963.50 feet to Corner No. 20 of said W. S. tract; thence North 64 degrees 38 minutes East 2755.84 feet to Corner No. 21 of said W. S. tract; thence North 85 degrees 50 minutes East 5095.04 feet to Corner No. 22 of said W. S. tract; thence North 40 degrees 50 minutes East 6055.47 feet to Corner No. 23 of said W. S. tract; thence North 05 degrees 55 minutes East 3874.17 feet to Corner No. 24 of said W. S. tract; thence, following the west boundary of said W. S. tract, North 25 degrees 17 minutes East 9815.63 feet to point of intersection with the south boundary of the tract of land conveyed by The Maxwell Land Grant Company to Mary W. Bartlett by Deed No. 890, dated April 19, 1902, filed for record in the office of the County Clerk of Colfax County, New Mexico, May 5, 1902, and recorded in Book "T" of Deeds at page 528, which point is designated as meander corner No. 48 of said Bartlett tract; thence in a general westerly and northwesterly direction following the southern boundary of said Bartlett tract, on the following courses and distances:

North 85 degrees 47 minutes West	62.00 chains,
North 35 degrees 32 minutes West	76.98 chains,
South 65 degrees 28 minutes West	5.00 chains,
North 57 degrees 32 minutes West	25.11 chains,
North 44 degrees 12 minutes West	48.00 chains,
North 89 degrees 42 minutes West	18.82 chains,
South 75 degrees 18 minutes West	14.30 chains,
North 24 degrees 47 minutes West	62.37 chains,
North 47 degrees 17 minutes West	26.82 chains,
North 08 degrees 52 minutes West	35.00 chains,
North 64 degrees 34 minutes West	15.51 chains,
North 21 degrees 19 minutes West	25.00 chains,
North 01 degree 04 minutes West	20.00 chains,
North 36 degrees 04 minutes West	11.25 chains,
North 75 degrees 04 minutes West	21.70 chains,
North 47 degrees 34 minutes West	10.45 chains,
North 80 degrees 34 minutes West	53.00 chains,
South 77 degrees 26 minutes West	16.55 chains,
North 66 degrees 49 minutes West	33.00 chains,

to the Northeast corner of the tract conveyed by The Maxwell Land Grant Company to Mary W. Bartlett by Deed No. 904, dated July 29, 1902, filed for record September 25, 1902, in the office of the County Clerk of Colfax County, New Mexico, and recorded in Book "U" of Deeds at page 42, which point is indicated by a stone marked "Bt. N. E. Cor."; thence in a general southwesterly, northwesterly and westerly direction following the southern boundary of said last mentioned Bartlett tract, on the following courses and distances:

South 32 degrees 30 minutes West	48.30 chains,
South 54 degrees West	72.44 chains,
South 33 degrees 30 minutes West	8.50 chains,
South 59 degrees East	17.65 chains,
South 68 degrees 30 minutes West	34.00 chains,
South 35 degrees West	42.80 chains,
North 49 degrees 30 minutes West	12.00 chains,
South 85 degrees West	9.00 chains,
North 82 degrees 30 minutes West	26.00 chains,
North 69 degrees West	15.00 chains,
North 27 degrees 35 minutes West	46.00 chains,
North 82 degrees West	15.00 chains,
North 64 degrees 30 minutes West	45.00 chains,
North 84 degrees 30 minutes West	26.50 chains,
North 71 degrees West	12.44 chains,
North 38 degrees 30 minutes West	5.00 chains,

North 49 degrees 30 minutes West	6.97 chains,
North	23.42 chains,
North 34 degrees 30 minutes East	14.00 chains,
North 46 degrees 30 minutes West	10.00 chains,
North 75 degrees West	27.71 chains,
North 48 degrees 30 minutes West	20.00 chains,
North	18.00 chains,
North 70 degrees West	11.47 chains,
North 32 degrees West	18.31 chains,
North	15.00 chains,
North 55 degrees 30 minutes West	10.00 chains,
North 71 degrees West	45.00 chains,
North 37 degrees West	15.00 chains,
North 16 degrees West	15.00 chains,
North 25 degrees East	39.12 chains,
North 42 degrees 30 minutes West	45.00 chains,
North 63 degrees West	59.00 chains,
North 56 degrees West	50.00 chains,
North 80 degrees West	100.00 chains,
South 80 degrees 30 minutes West	55.00 chains,
North 69 degrees West	70.00 chains,
North 20 degrees West	14.89 chains,
North 29 degrees West	45.00 chains,
North 46 degrees West	66.42 chains,
North 84 degrees West	5.49 chains,
North 83 degrees West	71.85 chains,
South 30 degrees 32 minutes West	42.00 chains,
North 84 degrees 30 minutes West	68.00 chains,
South 53 degrees 30 minutes West	73.80 chains,

to the Southwest corner of said Bartlett tract, identical with the point of beginning.

EXCEPTING THEREFROM, HOWEVER, the following:

(a) A certain tract of land conveyed by Special Warranty Deed between Vermejo Park Corporation and the United States of America c/o Forest Service dated December 30, 1981, filed January 22, 1982, recorded in Deed Book 146, page 395, records of Colfax County, New Mexico.

ALL of the following described tracts of land situate, lying and being in Colfax County, New Mexico, to-wit:

TRACT 1 (NEW VERMEJO TRACTS)

A certain tract of land bounded and described as follows:

COMMENCING, for the Northwest corner, at a point on the boundary line between Colorado and New Mexico, as originally located, the same being approximately two and one-half miles north of the township line between Townships 31 and 32 North, where the said boundary line intersects the Vermejo and Red River Divide, being marked by a sandstone 24" x 20" x 5", marked "Bt. M. C. 1", also "Bt. 10 M" on West face for meander Corner No. 1 and 10th Mile Stone. Whence the 111th Mile Stone on State Line bears North 88 degrees West 44 chains distant; a 12" spruce tree marked "Bt. M. C. 1" bears North 10 degrees, 20 minutes West 30 links distant; a 10" spruce tree marked "Bt. M. C. 1" bears South 18 degrees East 27 links distant; said point being on the North boundary of the tract of land heretofore conveyed to Mary H. Bartlett by deed dated April 19th, 1902, and recorded in Book "T" of Deeds, page 528, Records of Colfax County. Thence

following the divide between Red River and Vermejo, and the divide between Spring Canon and York Canon along the Northerly and Easterly boundary of said Bartlett tract on the following courses and distances:

THENCE South 16 degrees 56 minutes East, 8.50 chains to M. C. 2 a sandstone corner marked "Bt. M. C. 2"; an 18" br. tree bears South 18 degrees 30 minutes West, 72 links distant; a 20" br. tree bears North 73 degrees 30 minutes East, 224 links distant.

THENCE South 79 degrees 30 minutes East, 16.50 chains to M. C. 3, a sandstone corner, marked "Bt. M. C. 3"; whence a 14" pine br. tree bears north 43 degrees East 30 links distant; an 8" br. tree bears South 23 degrees West, 100 links distant.

THENCE South 9 degrees 30 minutes East, 28.50 chains to M. C. 4, a sandstone, marked "Bt. M. C. 4"; an 8" pine br. tree bears South 20 degrees 30 minutes West, 90 links distant. A 20" br. tree bears North 88 degrees West, 76 links distant.

THENCE South 70 degrees 50 minutes East, 21.15 chains to M. C. 5, sandstone, marked "Bt. M. C. 5". Whence a 20" spruce br. tree bears North 73 degrees East, 65 links distant:

THENCE South 17 degrees 30 minutes East, 5.35 chains to 11th Mile Stone, marked "Bt. 11 M"; an 8" br. tree bears South 64 degrees East, 85 links distant; a 10" br. tree bears North 28 degrees West, 136 links distant. 34.95 chains to M. C. 6, sandstone, marked "Bt. M. C. 6"; a 16" br. tree bears South 45 links distant.

THENCE South 69 degrees 30 minutes East, 50.40 chains to 12th Mile Stone, marked "Bt. 12 M"; an 8" br. tree bears North 20 degrees 30 minutes West, 65 links distant. 65.40 chains to M.C. 7, a sandstone, marked "Bt. M. C. 7"; a 6" br. tree bears South 50 degrees West, 50 links distant.

THENCE South 27 degrees 30 minutes East. 46.15 chains to M.C. 8, sandstone, marked "Bt. M. C. 8"; a 10" br. tree bears North 80 degrees East, 65 links distant.

THENCE South 10 degrees West. 18.85 chains to 13th Mile Stone, marked "Bt. 13 M."; a 12" br. tree bears South 65 links distant. 22.85 chains to M. C. 9, sandstone, marked "Bt. M. C. 9"; a 12" br. tree bears South 11 degrees 30 minutes West, 45 links distant.

THENCE South 51 degrees West. 35.00 chains to M. C. 10, a large sandstone, marked "Bt. M. C. 10"; a 10" br. tree bears North 50 degrees East, 12 links distant.

THENCE South 22 degrees 30 minutes East. 41.00 chains to 14th Mile Stone, marked "Bt. 14 M."; an 8" br. tree bears South 82 degrees East, 15 links distant.

61.00 chains to M. C. 11, a sandstone marked "Bt. M. C. 11"; a 16" br. tree bears South 17 degrees West, 17 links distant; an 18" br. tree bears North 64 degrees East, 16 links distant.

THENCE South 37 degrees 30 minutes East. 60.00 chains to M. C. 12 and 15th Mile Stone, marked "Bt. M. C. 12" and "15 M."; a 16" br. tree bears North 5 degrees West, 26 links distant a 10" br. tree bears South 11 degrees 30 minutes West, 100 links distant.

THENCE South 71 degrees 30 minutes East. 25.50 chains to M. C. 13, sandstone, marked "Bt. M. C. 13".

THENCE South 18 degrees 30 minutes East. 21.00 chains to M. C. 14, sandstone marked "Bt. M. C. 14"; an 8" br. tree bears North 18 degrees West, 54 links distant.

THENCE South 89 degrees 30 minutes East. 28.00 chains to M. C. 15, sandstone, marked "Bt. M. C. 15" a 12" br. tree bears North 23 degrees East, 32 links distant.

THENCE South 14 degrees East. 5.50 chains to 16th Mile Stone, marked "Bt. 16 M", a 12" br. tree bears North 80 degrees West, 100 links distant, 25.50 chains to M. C. 16, sandstone, marked "Bt. M. C. 16";

THENCE South 61 degrees East. 17.50 chains to M. C. 17, sandstone, marked "Bt. M. C. 17"; a 12" br. tree bears North 39 degrees 30 minutes East, 60 links distant. A 14" br. tree bears South 54 degrees West, 100 links distant.

THENCE South 28 degrees East. 10.70 chains to M. C. 18, an 8" pine post marked "Bt. M. C. 18"; an 8" br. tree bears North 20 degrees West, 12 links distant.

THENCE South 80 degrees 30 minutes East. 24.50 chains to M. C. 19, an 8" post marked "Bt. M. C. 19"; a 10" br. tree bears North 26 degrees East, 45 links distant.

THENCE South 61 degrees 30 minutes East. 6.80 chains to M. C. 20, sandstone, marked "Bt. M. C. 20"; also "17 M". A 10" br. tree bears North 55 degrees West, 40 links distant.

THENCE South 39 degrees 30 minutes East. 6.5 chains to M. C. 21, sandstone, marked "Bt. M. C. 21"; a 12" br. tree bears North 27 degrees 30 minutes East, 28 links distant.

THENCE South 73 degrees 30 minutes East. 19.00 chains to M. C. 22, sandstone, marked "Bt. M. C. 22" an 8" br. tree bears North 84 degrees East, 42 links distant; a 6" br. tree bears South 60 degrees East, 22 links distant.

THENCE South 6 degrees 30 minutes West. 20.00 chains to M. C. 23, sandstone, marked "Bt. M. C. 23"; an 8" br. tree bears South 37 degrees East, 28 links distant. A 10" br. tree bears North 39 degrees East, 110 links distant.

THENCE South 71 degrees 30 minutes East. 20.00 chains to M. C. 24, sandstone, marked "Bt. M. C. 24", a 10" br. tree bears North 22 degrees 30 minutes West, 90 links distant.

THENCE South 43 degrees 30 minutes East. 10.50 chains to M. C. 25, sandstone, marked "Bt. M. C. 25".

THENCE South 34 degrees 30 minutes East. 4.00 chains to 18th Mile Stone, marked "Bt. 18 M"; a 10" br. tree bears North 85 degrees East, 150 links distant. 6.20 chains to M. C. 26, sandstone, marked "Bt. M. C. 26"; situated on top of Spring and York Canon Divides; an 8" br. tree bears North 59 degrees East, 80 links distant; a 16" br. tree bears South 50 degrees West, 27 links distant.

THENCE South 67 degrees East. Across York Canon drainage from Spring Canon Divide to Red River Divide. 42.00 chains to M. C. 27, sandstone, marked "Bt. M. C. 27"; a 6" br. tree bears North 69 degrees East, 12 links distant. An 8" br. tree bears South 39 degrees East, 30 links distant. Thence North 89 degrees East. 35.80 chains to 19th Mile Stone, marked "Bt. 19 M"; an 8" br. tree bears North 86 degrees East, 50 links distant.

70.80 chains to M. C. 28, sandstone, marked "Bt. M. C. 28".

THENCE North 59 degrees East. 15.00 chains West Fork of York Canon, course southeast. 35.00 chains Top of divide between two forks of canon, bears Northwest and Southeast. 45.00 chains to 20th Mile Stone, marked "Bt. 20 M"; 12" br. tree bears South 65 degrees 20 minutes West, 160 links distant. A 12" br. tree bears South 53 degrees 30 minutes West, 180 links distant. 50.00 chains Main fork of York Canon, course South 20 degrees East. 87.00 chains to M. C. 29, sandstone, marked "Bt. M. C. 29", on top of divide between Trail and York Canon. A 10" br. tree bears South 83 degrees 40 minutes West, 70 links distant. A 14" br. tree bears South 11 degrees 30 minutes East, 60 links distant.

THENCE North 2 degrees 30 minutes West. 26.00 chains to M. C. 30, sandstone boulder, 20" x 10" x 10 feet marked "Bt. M. C. 30", an 18" br. tree bears East, 20 links distant.

THENCE North 19 degrees 30 minutes East. 12.00 chains to 21st Mile Stone, marked "Bt. 21 M"; a 16" br. tree bears North 59 degrees West, 160 links distant. An 18" br. tree bears South 25 degrees East, 100 links distant. 37.15 chains to M. C. 31, a 16" stump marked "Bt. M. C. 31", a 20" br. tree bears North 46 degrees 30 minutes East, 75 links distant.

THENCE North 31 degrees East. 10.45 chains to M. C. 32, sandstone boulder, 6 x 4 x 4 feet marked "Bt. M. C. 32".

THENCE North 88 degrees East. 22.50 chains to M. C. 33, sandstone, marked "Bt. M. C. 33"; a 20" br. tree bears South 21 degrees East, 16 links distant.

THENCE North 37 degrees 30 minutes East. 21.90 chains to 22nd Mile Stone, sandstone, marked "Bt. 22 M" and 29.15 chains to M. C. 34, sandstone, marked "Bt. M. C. 34", an 18" br. tree bears North 70 degrees East, 105 links distant.

THENCE North 63 degrees East. 14.50 chains to M. C. 35, sandstone, marked "Bt. M. C. 35", on top of Red River and Vermejo Divide; and 8" br. tree bears North 46 degrees 30 minutes West, 40 links distant. An 8" br. tree bears South 2 degrees 30 minutes East, 90 links distant.

THENCE South 61 degrees 50 minutes East. Following top of Red River and Vermejo Divide, 58.25 chains to the 23rd Mile Stone, marked "Bt. 23 M", 84.40 chains to M. C. 36, sandstone, marked "Bt. M. C. 36", a 6" br. tree bears south 33 degrees 45 minutes West, 75 links distant.

THENCE South 84 degrees 45 minutes East. 53.85 chains to 24th Mile Stone, marked "Bt. 24 M"; a 6" br. tree bears North 66 degrees East, 95 links distant.

54.95 chains to M. C. 37, sandstone, marked "Bt. M. C. 37", a 6" br. tree bears North 28 degrees 30 minutes West, 42 links distant. A 4" br. tree bears South 58 degrees East, 75 links distant.

THENCE North 74 degrees 45 minutes East. 78.90 chains to 25th Mile Stone, marked "Bt. 25 M".

98.90 chains to M. C. 38, sandstone, marked "Bt. M. C. 38", a 12" br. tree bears South 65 degrees East, 65 links distant.

THENCE South 45 degrees 30 minutes East. 25.20 chains to M. C. 39, sandstone, marked "Bt. M. C. 39", a 10" br. tree bears North 15 degrees 30 minutes East, 50 links distant.

THENCE South 80 degrees 5 minutes East. 34.80 chains to 26th Mile Stone, marked "Bt. 26 M", a 12" br. tree bears South 56 degrees 30 minutes East, 14 links distant. A 10" br. tree bears North 13 degrees East, 10 links distant.

44.00 chains to M. C. 40 sandstone, marked "Bt. M. C. 40"; a 10" br. tree bears North 32 degrees East 115 links distant.

THENCE South 64 degrees 50 minutes East. 43.30 chains to M. C. 41, sandstone, marked "Bt. M. C. 41", a 12" br. tree bears North 68 degrees 80 links distant. An 8" br. tree bears South 16 degrees 30 minutes East, 100 links distant.

THENCE South 23 degrees 30 minutes East. 27.40 chains to 27th Mile Stone, marked "Bt. 27 M" a 6" br. tree bears North 76 degrees 30 minutes West 80 links distant. 30.75 chains to M. C. 42, sandstone, marked "Bt. M. C. 42"; a 10" br. tree bears South 79 degrees East, 90 links distant.

THENCE South 48 degrees 20 minutes East. 19.24 chains to M. C. 43, sandstone, marked "Bt. M. C. 43", a 4" br. tree bears South 60 degrees West, 62 links distant.

THENCE North 82 degrees 45 minutes East. 32.65 chains to M. C. 44, sandstone, marked "Bt. M. C. 44", an 8" br. tree bears North 46 degrees West, 42 links distant.

THENCE North 77 degrees 30 minutes East. 20.30 chains to M. C. 45, sandstone, marked "Bt. M. C. 45"; and 8" br. tree bears North 56 degrees East, 84 links distant.

THENCE South 45 degrees East. 4.40 chains to 28th Mile Stone, marked "Bt. 28 M". 28.75 chains to M. C. 46, sandstone, marked "Bt. M. C. 46"; an 8" br. tree bears West, 25 links distant.

THENCE North 65 degrees 15 minutes East. 31.25 chains to M. C. 47, sandstone, marked "Bt. M. C. 47"; a 10" br. tree bears South 77 degrees West, 35 links distant.

THENCE South 60 degrees 45 minutes East. 24.40 chains to 29th Mile stone, on solid sandstone ledge, marked "Bt. 29 M". 33.35 chains to M. C. 48, sandstone, marked "Bt. M. C. 48".

THENCE North 81 degrees East. 21.10 chains to M. C. 49, sandstone, marked "Bt. M. C. 49"; a 10" br. tree bears South 87 degrees West, 35 links distant.

THENCE North 53 degrees 30 minutes East. 14.30 chains to M. C. 50, sandstone, marked "Bt. M. C. 50".

THENCE North 78 degrees 40 minutes East. 24.40 chains to M. C. 51, sandstone, marked "Bt. M. C. 51".

THENCE South 11 degrees 50 minutes East. 11.25 chains to 30th Mile Stone, a solid sandstone ledge, marked "Bt. 30 M"; a 6" br. tree bears North 56 degrees East, 40 links distant. An 8" br. tree bears South 66 degrees West, 60 links distant. 29.15 chains to M. C. 52, sandstone, marked "Bt. M. C. 52"; a 10" br. tree bears North 30 degrees West, 22 links distant.

THENCE South 61 degrees 50 minutes East. 48.00 chains to M. C. 53, sandstone, marked "Bt. M. C. 53"; an 8" br. tree bears South 52 degrees West, 72 links distant. A 6" br. tree bears North 31 degrees East, 75 links distant.

THENCE South 28 degrees 40 minutes East. 14.10 chains to 31st Mile Stone, marked "Bt. 31 M"; a 16" br. tree bears South 35 degrees West, 60 links distant.

18.40 chains to M. C. 54, sandstone, marked "Bt. M. C. 54".

THENCE South 58 degrees 30 minutes East. 27.50 chains to M. C. 55, sandstone, marked "Bt. M. C. 55"; a 6" br. tree bears South 78 degrees 30 minutes West, 47 links distant.

THENCE North 45 degrees, 15 minutes East. 34.40 chains to M. C. 56, sandstone, marked "Bt. M. C. 56".

THENCE South 44 degrees 40 minutes East. 13.80 chains to 32nd Mile Stone, marked "Bt. 32 M". 20.60 chains to M. C. 57, sandstone, marked "Bt. M. C. 57"; an 18" br. tree bears South 60 degrees West, 42 links distant.

THENCE South 70 degrees 45 minutes East. 14.15 chains to M. C. 58, sandstone, marked "Bt. M. C. 58"; a 10" br. tree bears South 20 degrees East, 50 links distant.

THENCE South 18 degrees, 10 minutes East. 15.80 chains to M. C. 59, sandstone, marked "Bt. M. C. 59"; a 10" br. tree bears South 10 degrees West, 25 links distant.

THENCE South 65 degrees 40 minutes East. 23.15 chains to M. C. 60, sandstone, marked "Bt. M. C. 60".

THENCE South 26 degrees 40 minutes East. 20.10 chains to 33rd Mile Stone, Marked "Bt. 33 M."; whence a 16" br. tree bears South 63 degrees 20 minutes West, 42 links distant. 23.40 chains to M. C. 61, sandstone, marked "Bt. M. C. 61"; a 10" br. tree bears South 55 degrees 20 minutes West, 30 links distant.

THENCE South 61 degrees 40 minutes East. 32.80 chains to M. C. 62, a 12" post marked "Bt. M. C. 62".

THENCE South 28 degrees 25 minutes East. 34.00 chains to M. C. 63, sandstone, marked "Bt. M. C. 63"; an 8" br. tree bears South 27 degrees 30 minutes West, 14 links distant.

THENCE South 56 degrees 55 minutes East. 9.90 chains to 34th Mile Stone, sandstone, marked "Bt. 34 M."; a 12" br. tree bears South 34 degrees West, 25 links distant.

11.10 chains to M. C. 64, a 6" post marked "Bt. M. C. 64"; a 14" br. tree bears South 57 degrees East, 20 links distant.

THENCE North 70 degrees 35 minutes East. 5.25 chains to M. C. 65, sandstone, marked "Bt. M. C. 65".

THENCE South 83 degrees 55 minutes East. 20.20 chains to M. C. 66, sandstone, marked "Bt. M. C. 66"; an 8" br. tree bears North 8 degrees East, 80 links distant.

THENCE South 61 degrees 45 minutes East. 8.50 chains to Northeast Corner of Bartlett Tract on Divide at head of Crow Creek, Cottonwood and Potato Canons, set a sandstone 36 x 34 x 10 inches, marked "Bt. N.E. Cor." Raised mound of stones 6 feet base and 5 feet high; set a sandstone 30 x 24 x 6 inches in top of mound marked "Bt. N. E. Cor."; a 14" br. tree bears South 67 degrees 30 minutes West, 60 links distant. A 15" br. tree bears North 62 degrees 30 minutes West, 90 links distant. Fisher's Peak bears North 43 degrees 15 minutes East about 21 miles distant, from Northeast Corner.

THENCE South 11 degrees 30 minutes East. On East Boundary along Crow Creek and Vermejo Divide. 8.20 chains to M. C. 1, of East boundary, sandstone, marked "Bt. M. C. 1"; a 20" br. tree bears North 17 degrees East, 50 links distant.

THENCE South 17 degrees 30 minutes West. 12.30 chains to M. C. 2, sandstone, marked "Bt. M. C. 2"; a 22" br. tree bears North 7 degrees, 60 links distant. An 18" br. tree bears South 66 degrees 30 minutes East, 65 links distant.

THENCE South 28 degrees 45 minutes East. 11.40 chains to M. C. 3, solid sandstone ledge, marked "Bt. M. C. 3"; a 10" br. tree, bears South 64 degrees 45 minutes East, 6 links distant.

THENCE South 9 degrees 45 minutes East. 21.25 chains to M. C. 4, a 14" post, marked "Bt. M. C. 4"; a 14" br. tree bears North 33 degrees 10 minutes West, 20 links distant.

THENCE South 24 degrees 15 minutes East. 9.20 chains to M. C. 5, sandstone, marked "Bt. M. C. 5"; a 12" br. tree bears South 65 degrees 45 minutes East, 6 links distant. A 16" br. tree bears North 51 degrees West, 10 links distant.

THENCE South 9 degrees 45 minutes East. 9.60 chains to M. C. 6, on solid sandstone ledge, marked "Bt. M. C. 6"; a 12" br. tree bears North 75 degrees East, 12 links distant.

THENCE South 41 degrees 15 minutes East. 7.05 chains to First Mile Stone on East boundary marked "Bt. 1 M".

17.05 chains to M. C. 7, sandstone marked "Bt. M. C. 7"; a 20" br. tree bears North 34 degrees West, 50 links distant. A 15" br. tree bears South 38 degrees East, 75 links distant.

THENCE South 22 degrees 45 minutes East. 8.00 chains to M. C. 8, sandstone, marked "Bt. M. C. 8"; a 22" br. tree bears North 87 degrees West, 30 links distant.

THENCE South 12 degrees 30 minutes West. 29.00 chains to M. C. 9, sandstone, marked "Bt. M. C. 9"; a 12" br. tree bears South 4 degrees East, 20 links distant; a 14" br. tree bears North 62 degrees 30 minutes, 16 links distant.

THENCE South 47 degrees 30 minutes West. 15.75 chains to M. C. 10, six inch post, marked "Bt. M. C. 10"; an 8" br. tree bears North 43 degrees 30 minutes East, 20 links distant. A 6" br. tree bears South 60 degrees East, 12 links distant.

THENCE South 31 degrees 30 minutes West. 17.25 chains to Second Mile Stone, marked "Bt. 2 M"; a 20" tree bears North 89 degrees East, 40 links distant. A 16" br. tree bears South 68 degrees 30 minutes West, 50 links distant.

20.40 chains to M. C. 11, sandstone, marked "Bt. M. C. 11"; a 12" br. tree bears North 86 degrees East, 20 links distant.

THENCE South 15 degrees West. 15.00 chains to M. C. 12, sandstone, marked "Bt. M. C. 12"; an 8" pine tree bears North 63 degrees 30 minutes East, 50 links distant.

THENCE South 4 degrees 30 minutes East. 19.40 chains to M. C. 13, sandstone, marked "Bt. M. C. 13"; a 6" br. tree bears South 16 degrees 30 minutes East, 12 links distant.

THENCE South 28 degrees 40 minutes East. 6.60 chains to M. C. 14, sandstone, marked "Bt. M. C. 14"; an 18" br. tree bears North 50 degrees, West 20 links distant.

THENCE South 13 degrees 30 minutes East. 5.15 chains to M. C. 15, sandstone, marked "Bt. M. C. 15"; a 16" br. tree bears North 45 degrees West, 6 links distant.

THENCE South 25 degrees 30 minutes East. 22.00 chains to M. C. 16, sandstone, marked "Bt. M. C. 16"; a 10" br. tree bears South 50 degrees East, 18 links distant.

THENCE South 7 degrees 30 minutes East. 8.70 chains to M. C. 17, and Third Mile Stone, marked "Bt. M. C. 17 3 M"; a 10" br. tree bears North 80 degrees 30 minutes East, 20 links distant.

THENCE South 21 degrees 30 minutes East. 9.10 chains to M. C. 18, a six inch post, marked "Bt. M. C. 18".

THENCE South 6 degrees 17 minutes West. 19.10 chains to M. C. 19, sandstone, marked "Bt. M. C. 19"; a 12" br. tree bears North 12 degrees West, 75 links distant.

THENCE South 24 degrees 50 minutes East. 18.00 chains to M. C. 20, sandstone, marked "Bt. M. C. 20"; a 7" br. tree bears South 40 degrees 30 minutes East, 20 links distant.

THENCE South 13 degrees 10 minutes East. 15.00 chains to M. C. 21, sandstone, marked "Bt. M. C. 21".

THENCE South 32 degrees, 30 minutes East. 18.90 chains to 4th Mile Stone, marked "Bt. 4 M"; a 14" br. tree bears South 14 degrees East, 35 links distant. 39.65 chains to M. C. 22, sandstone, marked "Bt. M. C. 22"; a 6" br. tree bears South 85 degrees 30 minutes West, 45 links distant. A 5" br. tree bears North 10 degrees 30 minutes East, 20 links distant.

THENCE South 22 degrees 30 minutes East. 20.40 chains to M. C. 23, sandstone, marked "Bt. M. C. 23"; a 12" br. tree bears South 24 degrees 30 minutes West, 5 links distant.

THENCE South 28 degrees 15 minutes East. 24.88 chains to M. C. 24, sandstone, marked "Bt. M. C. 24"; also marked "N. E. Cor. Wt." for the northeast corner of the tract of land heretofore conveyed by deed to Gustavus A. Whitney, Deed No. 768, dated December 1st, 1900. A 16" br. tree bears South 4 degrees 30 minutes East, 14 links distant; an 18" tree bears North 60 degrees West, 35 links distant.

Being a point on the divide between Cottonwood Canon, Deadhorse Canon and Crow Creek drainage.

THENCE following the Easterly boundary line of the said Whitney tract along the summit of the divide between the Caliente Canon drainage and the Crow Creek Canon drainage on the following courses and distances:

South 58 degrees 04 minutes East, 8.25 chains;
 South 00 degrees 54 minutes East, 9.30 chains;
 South 02 degrees 45 minutes East, 14.90 chains;
 South 15 degrees 03 minutes West, 15.18 chains;
 South 41 degrees 41 minutes West, 4.83 chains;
 South 01 degree 48 minutes West, 24.54 chains;
 South 09 degrees 15 minutes East, 39.00 chains;
 South 08 degrees 37 minutes East, 29.50 chains;
 South 83 degrees 46 minutes East, 11.74 chains;
 South 10 degrees 50 minutes East, 33.85 chains;
 South 05 degrees 06 minutes West, 21.06 chains;
 South 01 degree 05 minutes East, 20.65 chains;
 South 23 degrees 35 minutes West, 9.47 chains;
 South 46 degrees 20 minutes West, 7.40 chains;
 South 63 degrees 25 minutes West, 6.09 chains;

to the Corner of Sections 32, 33 Township 30 North of Range 21 East and Sections 4 and 5 Township 29 North of Range 21 East, being a point on the divide between the drainage of Caliente Canon and tributaries and Saltpeter Canon and tributaries;

THENCE in a general Southerly direction following the summit of the divide east of Saltpeter Canon, which summit is identical with the East line of the tract of land owned by the Dawson Fuel Company, to the intersection with the township line between Township 28 North and Township 29 North on the following courses and distances:

South 83 degrees 30 minutes East, 10.60 chains;
 North 45 degrees East, 6.13 chains;
 North 24 degrees 15 minutes East, 13.63 chains;
 South 66 degrees 45 minutes East, 19.47 chains;
 North 40 degrees East, 2.34 chains;
 North 82 degrees East, 3.56 chains;
 South 41 degrees 15 minutes East, 2.27 chains;
 South 27 degrees 15 minutes East, 9.72 chains;
 South 03 degrees 45 minutes East, 3.48 chains;
 South 11 degrees West, 4.54 chains;
 South 01 degree 45 minutes East, 4.24 chains;
 South 15 degrees 30 minutes West, 5.53 chains;
 South 19 degrees 45 minutes East, 12.72 chains;
 South 50 degrees 45 minutes East, 9.09 chains;

South 36 degrees East, 18.80 chains;
South 21 degrees East, 9.85 chains;
South 26 degrees East, 21.74 chains;
South 30 degrees West, 2.42 chains;
South 56 degrees 30 minutes West, 13.71 chains;
South 17 degrees West, 5.68 chains;
South 51 degrees West, 8.33 chains;
South 65 degrees 30 minutes West, 1.16 chains;
West 6.21 chains;
South 19 degrees West, 13.33 chains;
South 10 degrees 30 minutes West, 3.03 chains;
South 50 degrees 30 minutes West, 8.48 chains;
South 24 degrees 30 minutes East, 12.50 chains;
South 07 degrees 30 minutes East, 9.54 chains;
South 69 degrees 30 minutes East, 12.72 chains;
South 27 degrees 30 minutes East, 23.79 chains;
South 83 degrees East, 4.16 chains;
South 76 degrees 30 minutes East, 11.36 chains;
South 36 degrees 30 minutes East, 10.60 chains;
South 57 degrees 30 minutes East, 6.30 chains;
South 25 degrees East, 6.59 chains;
South 53 degrees 30 minutes East, 16.06 chains;
South 40 degrees 30 minutes West, 6.66 chains;
South 58 degrees 30 minutes West, 8.18 chains;
South 03 degrees 30 minutes West, 13.00 chains;
South 52 degrees 15 minutes West, 11.36 chains;
South 15 degrees 15 minutes West, 6.06 chains;
South 00 degrees 15 minutes East, 9.85 chains;
South 10 degrees 30 minutes East, 9.85 chains;
South 32 degrees East, 10.07 chains;
South 39 degrees East, 6.06 chains;
South 04 degrees 30 minutes East, 7.65 chains;
South 69 degrees East, 13.63 chains;
South 62 degrees East, 6.21 chains;
South 34 degrees 45 minutes East, 24.47 chains;
South 30 degrees 15 minutes West, 13.40 chains;
South 73 degrees 30 minutes West, 3.48 chains;
South 84 degrees 30 minutes West, 11.51 chains;
South 50 degrees 30 minutes West, 11.74 chains;
South 01 degrees 15 minutes West, 4.77 chains;
South 30 degrees West, 7.57 chains;
South 13 degrees East, 26.60 chains;
South 16 degrees 45 minutes East, 30.45 chains;
South 40 degrees 43 minutes East, 4.72 chains;
South 32 degrees 30 minutes East, 31.65 chains;
South 45 degrees 50 minutes East, 10.45 chains;
South 02 degrees 50 minutes East, 10.38 chains;
South 10 degrees 30 minutes East, 6.81 chains;
South 44 degrees 10 minutes East, 4.01 chains;
South 15 degrees 10 minutes East, 6.21 chains;
South 16 degrees 05 minutes West, 10.22 chains;
South 42 degrees 50 minutes West, 2.80 chains;
South 62 degrees West, 14.31 chains;
South 84 degrees 15 minutes West, 6.13 chains;

South 11 degrees 45 minutes West, 8.78 chains;

THENCE following the divide between Saltpeter Canon and Turkey Canon on the following courses and distances:

South 3.00 chains;
 South 17 degrees 37 minutes East, 9.58 chains;
 South 55 degrees 31 minutes East, 5.44 chains;
 South 03 degrees 42 minutes East, 34.42 chains;
 South 39 degrees 12 minutes West, 24.00 chains;
 South 09 degrees 49 minutes West, 4.93 chains;
 South 16 degrees 30 minutes East, 24.04 chains;
 South 21 degrees 30 minutes West, 32.76 chains;
 South 08 degrees East, 11.13 chains;
 South 26 degrees 45 minutes West, 10.58 chains;
 South 46 degrees 30 minutes West, 14.00 chains;
 to the end of the above mentioned divide.

THENCE East 215 chains to a point 7 chains South of the corner of Sections 12 and 13 on range line between Ranges 21 and 22 East, thence North, 159 chains to the Northeast corner of Township 28 North, Range 21 East. Thence East one mile; thence Northeast about 234.6 chains (on a line which, if extended, would strike the northeast corner of Section 12, Township 29 North of Range 22 East) to a fence and West line of lands of A. Claude Stockton and Alvin M. Stockton; thence along fence North 12 degrees 51 minutes West 4,990.0 feet to a point where the fence intersects the North line of Section 21, Township 29 North, Range 22 East, and said point being West 720 feet from the Southeast corner of Section 16, Township 29 North, Range 22 East, thence continuing to follow the fence line North 12 degrees 51 minutes West for a distance of 815 feet to the point where the fence would intersect the Trinidad Sandstone outcrop; thence following said outcrop in a general Easterly direction for a distance of 890 feet to the East line of said Section 16 and being 800 feet North of the Southeast corner of said Section 16; thence following said outcrop along a meandering course which generally bears North 36 degrees 30 minutes East for a distance of 5,520 feet to a point where the outcrop intersects the North line of Section 15, Township 29 North, Range 22 East of the New Mexico Principal Meridian; thence following said outcrop in a meandering direction which generally bears North 27 degrees 30 minutes East for a distance of 5,320 feet to a point where the outcrop intersects the east line of Section 10 and said point being North 3,810 feet from the Southeast corner of said Section 10; thence following said sandstone in a meandering general direction of North 40 degrees East for a distance of 1,900 feet to the place where the main fork of Falls Canon stream bed cuts the Trinidad Sandstone; thence following said outcrop via general South 37 degrees 30 minutes East direction for a distance of 4,050 feet; thence for a distance of 1,220 feet north 47 degrees East to the point where the outcrop is intersected by the stream bed of the East fork of Falls Canon; thence following the outcrop in a general direction South 3 degrees 00 minutes West for a distance of 3,475 feet; thence following same outcrop in a general direction of North 67 degrees 15 minutes East for a distance of 1,880 feet to the point where the East section line of Section 11, Township 29 North, Range 22 East of the New Mexico Principal Meridian is intersected and which point is 1,060 feet North of the Southeast corner of Section 11; thence following said Trinidad Sandstone outcrop in a meandering general direction of North 39 degrees 30 minutes East for a distance of 4,080 feet to point of intersection with a fence bearing North 52 degrees 45 minutes West and being the Southwest corner of Frank Gumm land; thence following said outcrop in a meandering direction, generally bearing North 35 degrees 00 minutes East for a distance of 1,720 feet to the North line of Said Section 12; thence East along said North line of Section 12 for a distance of 2,000 feet to the Northeast corner of Section 12; thence North one mile; thence West along township line one mile; thence North one mile; thence East 3 miles; thence North 200 chains to quarter corner of Sections 16 and 17, Township 30 North, Range 23 East, thence North 68 degrees East, 86 chains to the intersection with the section line between Sections 15 and 16, being a point 6 chains South of section corner of Sections 9, 10, 15, 16; thence North 166 chains to the intersection with the township line between Townships 30 and 31 North; thence East along said township line 105 chains to the intersection of the township line with the Dillon-Blossburg Branch of the New Mexico and Southern Pacific

Railway; thence North 30 degrees 15 minutes West to following said railroad branch 47.00 chains to the quarter corner to Sections 34 and 35, Township 31 North, Range 23 East; thence North 2,984.5 feet, more or less, to a point North 344.5 feet from common corner to Sections 26, 27, 34 and 35, Township 31 North, Range 23 East, and being on the North line of the Gardiner Road and the corner of the Raton Country Club tract; thence following the Raton Country Club tract North 89 degrees 00 minutes West 453.7 feet, more or less, to stake; thence North 72 degrees 49 minutes West 1,120.8 feet to a stake; thence North 55 degrees 45 minutes West 108.2 feet to a stake; thence North 27 degrees 48 minutes West 178.7 feet to a stake; thence North 2 degrees 48 minutes West 524.2 feet to a stake; thence North 85 degrees 49 minutes East 651.8 feet to a stake; thence North 80 degrees 05 minutes East 1,025.8 feet to a stake; thence North 7 degrees 30 minutes West 998.3 feet, more or less, to intersection with East and West center line of Section 27, Township 31 North,

Range 23 East, N.M.P.M.; thence West 19.08 chains; thence North 25 degrees 15 minutes West 23 chains; thence North 68.50 chains to the Northwest corner of the hereinbefore mentioned J.V. Cooney tract, identical with Southwest corner of the tract heretofore contracted to be sold to S. A. Wiseman by Land Contract No. 506, dated December 3rd, 1900, a point on the divide between Dillon Canon and Railroad Canon;

THENCE following the West boundary of the said S. A. Wiseman tract along the divide between Dillon Canon and Railroad Canon and Coal Canon and Railroad Canon, on the following courses and distances:

North 26.64 chains;

North 38 degrees 36 minutes West, 35.41 chains;

North 02 degrees 24 minutes West, 30.26 chains;

North 07 degrees 54 minutes East, 22.72 chains;

North 34 degrees 07 minutes West, 26.36 chains;

North 17 degrees 31 minutes West, 41.51 chains;

to the Northwest corner of the above mentioned S.A. Wiseman tract;

THENCE following the Southerly and Westerly boundaries of the tract conveyed to Dolan B. Smith by deed dated September 12, 1904, North 05 degrees 09 minutes West, 22 chains to the corner to Sections 3, 4, 9, and 10;

THENCE West 79.60 chains;

THENCE Northwesterly along the divide between Coal Canon and Dillon Canon on the following courses and distances:

North 40 degrees 05 minutes West, 66.00 chains;

North 24 degrees West, 19.16 chains;

North 16 degrees West, 55.50 chains;

North 46 degrees 35 minutes West, 18.00 chains;

North 03 degrees West, 30.50 chains;

North 55 degrees 45 minutes West, 53.00 chains;

North 04 degrees 15 minutes East, 21.31 chains;

North 45 degrees 40 minutes West, 40.50 chains;

North 24 degrees 15 minutes West, 44.50 chains;

to the intersection with the aforesaid boundary line between Colorado and New Mexico, as heretofore located 12 chains West of the closing corner to Township 32 North, Ranges 22 and 23 East on above mentioned boundary and 14 chains East of the 83rd Mile Stone.

THENCE West along the said boundary line between Colorado and New Mexico as heretofore located about twenty-seven (27) miles and fifty (50) chains to the place of BEGINNING.

Excepting and excluding therefrom, however, the following tracts of land:

EXCEPTION A. The tract of 3,221.79 acres sold to Lucy Brunilli, et al., by contract dated September 5th, 1900, and particularly described in Deed No. 1161, dated September 20, 1907, and recorded in Book W of Deeds at page 164 of the records of Colfax County, New Mexico.

EXCEPTION B. The tract of 160 acres sold to Modesto Brunelli by deed dated November 11th, 1895, Deed No. 377, recorded in Book Q of Deeds at page 12 of the records of Colfax County, New Mexico.

EXCEPTION C. The tract of 408.58 acres sold to William H. Smith by deed dated September 1st, 1898, Deed No. 579, recorded in Book Q of Deeds at page 102 of the records of Colfax County, New Mexico.

EXCEPTION D. The tract of 642.56 acres sold to Henry Dargel by contract dated April 15th, 1899, contract No. 475, recorded in Book K of Miscellaneous Records at page 96 of the records of Colfax County, New Mexico.

EXCEPTION E. The tract of 137.2 acres sold to Frederick Dahrens by contract dated November 1st, 1898, Contract No. 530, recorded in Book K of Miscellaneous Records at page 100 of the records of Colfax County, New Mexico.

EXCEPTION F. All that portion of said Tract 1 lying within Township 28 North, Range 21 East, N.M.P.M., containing 3,162 acres, more or less.

EXCEPTION G. all of that portion of Tract 1 herein which was deeded by Kaiser Steel Corporation, a Nevada corporation, to National Rifle Association of America, a corporation, in a Warranty Deed dated January 28, 1974, filed for record on February 1, 1974, at 9:02 a.m., and recorded in Colfax County Deed Volume 123 at page 187 and lying in Townships 29, 30, and 31 North, Ranges 21, 22, and 23 East, N.M.P.M., and containing 27,759 acres more or less.

EXCEPTION H. All of that portion of Tract 1 which was deeded by Kaiser Steel Corporation, a Nevada corporation, to the County of Colfax, a political subdivision of the State of New Mexico, for a roadway, by a quit claim deed dated October 23, 1979, filed October 26, 1979 at 3:16 p.m., and recorded in Colfax County Deed Volume 139, page 105, containing 536.11 acres.

TRACT 2 (NEW VERMEJO TRACTS)

A certain tract of land bounded and described as follows:

A part of Sections 22, 27 and 28 of Township 29 North, Range 22 East of the New Mexico Principal Meridian, more fully described as follows:

Beginning at common corner of said Sections 22, 27 and 28; thence South 45 degrees 00 minutes West 450.0 feet to the North right of way line of the St. Louis, Rocky Mountain and Pacific Railway Company; thence South 76 degrees 44 minutes East along said North right of way line for a distance of about 350 feet to the intersection with West line of Section 28; thence continuing South 76 degrees 44 minutes East along said North right of way line for a distance of about 360 feet to fence line and corner of lands of A. Claude Stockton and Alvin M. Stockton; thence following along said fence line North 12 degrees 51 minutes West for a distance of 261 feet to a point of intersection with the East-West line between Sections 22 and 27, Township 29 North, Range 22 East, of the New Mexico Principal Meridian; thence continuing along said fence line North 12 degrees 51 minutes West 399.0 feet; thence South 45 degrees 00 minutes West 550.0 feet to the point of beginning.

TRACT 3 (NEW VERMEJO TRACTS)

Lots One (1) and Two (2) of Section Eleven (11), Township Thirty-one (31) North, Range Twenty-four (24) East, N.M.P.M..

TRACT 6 (NEW VERMEJO TRACTS)

A tract of land lying in Sections 4 and 9, Township 24 North, Range 22 East, N.M.P.M., which is more particularly described as follows:

Commencing at the Northeast corner of Section 4, Township 24 North, Range 22 East, N.M.P.M., a marked stone;

THENCE South along the East section line of said Section 4, a distance of 1,968 feet to the Northeast corner of the C.S. Cattle Company lands, the Point of Beginning;

THENCE West along the North line of said C.S. Cattle Company tract 3,973 feet to the East right of way line of the AT&SF Railroad;

THENCE South 19 degrees 50 minutes West along said Eastern right of way line 4,848 feet;

THENCE East 5,618 feet to the East line of Section 9, Township 24 North, Range 22 East, N.M.P.M.;

THENCE Northerly following the east line of Sections 9 and 4 a distance of 4,560 feet, more or less to the Point of Beginning.

TRACT 7 (NEW VERMEJO TRACTS)

A tract of land lying in the Southeast quarter of the Southeast quarter (SE 1/4 SE 1/4) of Section 15, and part of the South half (S 1/2) of Section 14, Township 25 North, Range 22 East, N.M.P.M., Colfax County, New Mexico, which lies East of the Atchison, Topeka and Santa Fe Railroad right-of-way, and more particularly described as follows:

Commencing at the Northeast corner of said Section 14;

THENCE South along Section line 2,655 feet;

THENCE North 89 degrees 18 minutes West 310 feet to the Point of Beginning;

THENCE continuing North 89 degrees 18 minutes West 3,000 feet to existing fence on the East side of road and land described in Deed Book W, page 310 from The Maxwell Land Grant Company to the Board of County Commissioners, Colfax County, dated June 20, 1915;

THENCE following said fence and land described in said deed South 47 degrees 05 minutes West 3,934 feet to a point (from which point an iron rail set in the East line of the Atchison, Topeka and Santa Fe Railroad right-of-way is South 55 degrees 33 minutes West 453 feet);

THENCE following North fence line of road North 89 degrees 43 minutes East 3,545 feet;

THENCE North 41 degrees 41 minutes East 3,518 feet to the Point of Beginning.

TRACT 8 (NEW VERMEJO TRACTS)

That certain tract of land as conveyed by Warranty Deed recorded in Deed Book 73 at page 610 of the records of Colfax County, New Mexico, described as follows, to-wit:

BEGINNING at the Northwest corner, which point is located 57 degrees, 45 minutes East 30 chains from a point located seven chains South of the quarter corner between Sections 34 and 35; THENCE South 57 degrees 45 minutes East 42 chains; thence South 24 chains to the North bank of the Cimarron River; THENCE Northwesterly following the north bank of the Cimarron River about 40 chains; thence North 33 chains to the place of BEGINNING, containing 100 acres, more or less.

ALSO:

COMMENCING at a point 1173.5 feet South of the Northeast corner of Section 2, Township 24 North, Range 22 East; THENCE North 55 degrees 53 minutes West along center of Taylor-Springer Road 1594.4 feet; THENCE South 1800 feet to North bank of Cimarron River; THENCE South 53 degrees 34 minutes East along North bank of Cimarron River 500 feet; THENCE North 75 degrees 11 minutes East 600

feet; THENCE South 61 degrees 48 minutes East 378.5 feet; THENCE North 1226.3 feet to the place of BEGINNING.

ALSO:

THAT certain tract of land as conveyed by Warranty Deed recorded in Deed Book 70 page 631 of the records of Colfax County, New Mexico, described as follows, to-wit;

BEGINNING at the Northwest corner, which corner is on the Section line of Sections 34 and 35, Township 25 North, Range 22 East, and is 7 chains South of the quarter corner of said Sections; THENCE South 57 degrees 45 minutes East 30 chains; THENCE South 33 chains to the North bank of the Cimarron River; THENCE Northwesterly at an angle of about 28 degrees 45 minutes, following the North bank of Cimarron River 28 chains to the intersection of the section line between Sections 2 and 3, Township 24 North, Range 22 East, at a point 3 chains South of the section corner; THENCE North 37 chains to the place of BEGINNING.

ALSO:

THAT certain tract of land as conveyed by Warranty Deed recorded in Deed Book 91, page 401 of the records of Colfax County, New Mexico, described as follows, to-wit:

THAT certain tract of land situated East of the Town of Springer commonly known as the "Model Farm" and more particularly described as follows:

STARTING at the section corner of Sections 22, 23, 26, and 27, Township 25 North, Range 22 East, N.M.P.M.

THENCE South 3,977 feet to POINT OF BEGINNING;

THENCE North 89 degrees 43 minutes East 3,934 feet;

THENCE South 00 degrees 27 minutes East 6,874 feet to a point on the North line of the Taylor-Springer Road;

THENCE North 55 degrees 47 minutes West along North line of said road 4,796.5 feet;

THENCE North 785 feet;

THENCE West 1,155 feet to a point on the North line of the Taylor-Springer Road;

THENCE North 55 degrees 47 minutes West along the North line of said road 777 feet;

THENCE North 0 degrees 27 minutes West 300 feet to the South line of the Springer Cemetery;

THENCE East 248 feet;

THENCE North 880 feet;

THENCE West 248 feet;

THENCE North 0 degrees 27 minutes West 1,388 feet to the South line of the old Reservoir site, Village of Springer;

THENCE East 260 feet;

THENCE North 300 feet;

THENCE West 260 feet;

THENCE North 0 degrees 27 minutes West 60 feet;

THENCE North 89 degrees 43 minutes East 1,802 feet to POINT OF BEGINNING.

ALSO:

THAT certain tract of land as conveyed by Warranty Deed recorded in Deed Book 73, page 28, of the records of Colfax County, New Mexico described as follows, to-wit:

COMMENCING at a point on the East section line of Section 3, Township 24 North, Range 22 East, which point is 27 feet South of the Southeast corner of Section 34 in Township 25 North, Range 22 East; THENCE running along the East line of said Section 3, Township 24 North, Range 22 East, N.M.P.M. and east line of

said Section 34, and along a cedar post and barbed wire fence to the public road leading from Taylor, New Mexico to Springer, New Mexico 0 degrees 5 minutes East 2,391 feet; THENCE Northwest along the Southerly side of public road and another cedar post and barbed wire fence, North 55 degrees 45 minutes West 2,175 feet and to the East line of the Townsite of Springer, New Mexico; THENCE South following along the East line of the Townsite of Springer a distance of 1,512 feet to a cedar post and barbed wire fence; THENCE East following said fence South 64 degrees 15 minutes East 413 feet; THENCE continuing along said fence South 36 degrees 3 minutes East 1,138 feet to angle corner; THENCE continuing along said fence South 26 degrees 35 minutes East 463 feet to angle corner; THENCE following along said fence South 41 degrees 25 minutes East 816 feet to the PLACE OF BEGINNING.

Excepting therefrom the following:

EXCEPTION NO. I:

That certain tract of land as described in Warranty Deed dated July 1, 1947, filed for record July 7, 1947 at 9:44 o'clock A.M. and recorded in Deed Book 83, page 434 of the records of Colfax County, New Mexico, wherein P. M. Bowen and Martha T. Bowen, husband and wife are "grantors" and Ambrose Penn Winston, Jr., is "grantee", containing 20 acres, more or less.

EXCEPTION NO. II:

That certain tract of land as described in Warranty Deed dated September 11, 1950, filed for record April 8, 1960 at 9:30 o'clock A.M. and recorded in Deed Book 100, page 18, of the records of Colfax County, New Mexico, wherein Paul M. Bowen and Martha T. Bowen, his wife, are "grantors" and E. Price Hampson is "grantee", containing 4.00 acres, more or less.

EXCEPTION NO. III:

That certain tract of land as conveyed by Quitclaim Deed dated November 14, 1940, filed for record November 23, 1940 at 8:00 o'clock A.M. and recorded in Deed Book 73, page 390, of the records of Colfax County, New Mexico, containing 1.83 acres, more or less.

EXCEPTION NO. IV:

That certain tract of land as conveyed by Warranty Deed dated January 21, 1956 filed for record January 23, 1956, at 10:31 o'clock A.M. and recorded in Deed Book 93, page 147 of the records of Colfax County, New Mexico, wherein P. M. Bowen and Martha T. Bowen, his wife, are "grantors" and Jesse M. Valdez and Leonore M. Valdez, his wife, are "grantees", containing 3.00 acres, more or less.

EXCEPTION NO. V:

That certain tract of land as conveyed by Warranty Deed dated January 21, 1956, filed for record February 27, 1956, at 3:00 o'clock P.M. and recorded in Deed Book 93, page 220 of the records of Colfax County, New Mexico, wherein P. M. Bowen and Martha T. Bowen, his wife, are "grantors" and Jesse M. Valdez and Leonore M. Valdez are "grantees", containing 1.00 acre, more or less.

EXCEPTION VI:

That certain tract of land as conveyed by Warranty Deed dated December 23, 1958, filed for record January 2, 1959, at 2:38 o'clock P.M. and recorded in Deed Book 97, page 483 of the records of Colfax County, New Mexico, wherein P. M. Bowen and Martha T. Bowen, his wife, are "grantors" and Wilson Lemuel Morrison and Pearl A. Morrison, his wife, are "grantees", containing 00.48 acres, more or less.

EXCEPTION VII:

That certain tract of land as conveyed by Warranty Deed, dated March 30, 1961, filed for record May 18, 1961 at 2:21 o'clock P.M. and recorded in Deed Book 101, page 391 of the records of Colfax County, New Mexico, wherein P. M. Bowen, a widower, is "grantor" and Springer Cemetery Association is "grantee", containing 1.83 acres, more or less.

TRACT 15 (NEW VERMEJO TRACTS)

A parcel of land in Colfax County, New Mexico, being more particularly described as follows:

BEGINNING at the Southeast Corner of projected Section 32, Township 30 North, Range 21 East, being a point on the divide between the drainage of Caliente Canon, and tributaries and Rail Canon and tributaries, presently marked by a 3/4 inch iron pipe in a mound of stones, thence Northerly along the summit of the divide between the Caliente Canon drainage and the Crow Creek Canon drainage on the following bearings and distances:

THENCE North 63 degrees 40 minutes 16 seconds East on a New Mexico State Grid Bearing for the Eastern Zone, said Grid Bearing being 00 degrees 15 minutes 38 seconds West of an average true North bearing for the Caliente Ranch and to which all other bearings in this description are relative, 399.27 feet to W-MC 47, a marked stone,

THENCE North 46 degrees 40 minutes 25 seconds East 484.46 feet to W-MC 48, a marked stone,

THENCE North 23 degrees 55 minutes 19 seconds East 625.74 feet to W-MC 49, a marked stone,

THENCE North 00 degrees 50 minutes 43 seconds West 1,359.38 feet, to W-MC 50, a marked stone,

THENCE North 05 degrees 24 minutes 27 seconds East 1,386.58 feet to W-MC 51, a set 3/4 inch iron pipe,

THENCE North 10 degrees 35 minutes 31 seconds West 2,528.49 feet to W-MC 52, a marked stone,

THENCE North 83 degrees 26 minutes 00 seconds West 770.00 feet to W-MC 53, a marked stone,

THENCE North 08 degrees 25 minutes 42 seconds West, 1,940.18 feet to W-MC 54, a marked stone,

THENCE North 08 degrees 56 minutes 01 seconds West 2,569.33 feet to W-MC 55, a marked stone,

THENCE North 02 degrees 07 minutes 50 seconds East 1,611.57 feet to W-MC 56, a marked stone,

THENCE North 41 degrees 59 minutes 33 seconds East 317.64 feet to W-MC 57, a set 3/4 inch iron pipe,

THENCE North 15 degrees 21 minutes 33 seconds East 998.33 feet to W-MC 58, a marked stone,

THENCE North 02 degrees 22 minutes 47 seconds West 980.36 feet to W-MC 59, a marked stone,

THENCE North 00 degrees 37 minutes 52 seconds West 612.64 feet to W-MC 60, a set 3/4 inch iron pipe,

THENCE North 57 degrees 47 minutes 52 seconds West 543.48 feet to the Northeast Corner, a marked stone, being a point on the divide between Cottonwood Canon, Dead Horse Canon and Crow Creek drainage; thence Westerly following the general course of the summit of the divide between Cottonwood Canon and Dead Horse Canon and between Cottonwood Canon and Blind Canon on the following bearings and distances:

THENCE South 64 degrees 56 minutes 08 seconds West 471.01 feet to Bt. MC 25, a marked stone,

THENCE South 47 degrees 36 minutes 55 seconds West 1,385.39 feet to Bt. MC 26, a marked stone,

THENCE South 63 degrees 56 minutes 41 seconds West 507.16 feet to Bt. MC 27, a marked stone,

THENCE South 46 degrees 06 minutes 07 seconds West 587.19 feet to Bt. MC 28, a marked stone,

THENCE South 45 degrees 57 minutes 15 seconds West 795.02 feet to Bt. MC 29, a marked stone,

THENCE South 67 degrees 15 minutes 53 seconds West 2,667.53 feet to Bt. MC 30, a marked stone,

THENCE South 67 degrees 23 minutes 38 seconds West 3,611.69 feet to Bt. MC 31, a marked stone,

THENCE North 65 degrees 02 minutes 47 seconds West 1,068.74 feet to Bt. MC 32, a marked stone,

THENCE North 45 degrees 41 minutes 05 seconds West 707.01 feet to Bt. MC 33, a marked stone,

THENCE North 68 degrees 56 minutes 09 seconds West 439.66 feet to Bt. MC 34, a marked stone,

THENCE South 89 degrees 24 minutes 53 seconds West 721.39 feet to Bt. MC 35, a marked stone,

THENCE North 80 degrees 01 minutes 59 seconds West 699.50 feet to Bt. MC 36, a marked stone,

THENCE North 47 degrees 28 minutes 15 seconds West 333.68 feet to Bt. MC 37, a marked stone,

THENCE North 72 degrees 37 minutes 10 seconds West 1,593.08 feet to Bt. MC 38, a marked stone,

THENCE North 62 degrees 11 minutes 07 seconds West 597.23 feet to Bt. MC 39, a marked stone,

THENCE South 79 degrees 34 minutes 58 seconds West 1,145.80 feet to Bt. MC 40, a marked stone,

THENCE South 78 degrees 59 minutes 54 seconds West 949.01 feet to Bt. MC 41, a marked stone,

THENCE South 75 degrees 51 minutes 03 seconds West 6,240.09 feet to Bt. MC 42, a marked stone, whence the quarter corner to projected Sections 22 and 27, Township 30 North, Range 20 East, bears South 37 degrees 25 minutes 38 seconds West 1,000.56 feet more or less, thence Southerly, following along the

East side of the main Caliente Canon and crossing said main Caliente Canon, thence along the West side of said main Caliente Valley on the following bearings and distances:

THENCE South 01 degree 14 minutes 31 seconds West 271.82 feet to Bt. MC 43, a marked stone,
 THENCE South 15 degrees 56 minutes 44 seconds East 742.56 feet to Bt. MC 44, a marked stone,
 THENCE South 14 degrees 41 minutes 01 second East 526.40 feet to Bt. MC 45, a marked stone,
 THENCE South 03 degrees 29 minutes 09 seconds West 529.79 feet to Bt. MC 46, a marked stone,
 THENCE South 38 degrees 40 minutes 46 seconds West 1,187.31 feet to Bt. MC 47, a marked stone,
 THENCE South 29 degrees 02 minutes 00 seconds West 589.37 feet to Bt. MC 48, a marked stone,
 THENCE South 05 degrees 23 minutes 25 seconds East 490.86 feet to Bt. MC 49, a marked stone,
 THENCE South 24 degrees 07 minutes 40 seconds West 1,435.16 feet to Bt. MC 50, a marked stone,
 THENCE South 07 degrees 33 minutes 57 seconds West 1,396.11 feet to Bt. MC 51, a marked stone,
 THENCE South 12 degrees 39 minutes 47 seconds West 1,797.69 feet to Bt. MC 52, a marked stone,
 THENCE South 06 degrees 07 minutes 54 seconds East 2,821.89 feet to Bt. MC 53, a marked stone,
 THENCE South 18 degrees 17 minutes 43 seconds West 1,511.63 feet to Bt. MC 54, a marked stone,
 THENCE South 10 degrees 41 minutes 29 seconds West 2,407.03 feet to Bt. MC 55, a marked stone,
 THENCE South 45 degrees 05 minutes 32 seconds West 1,487.10 feet to Bt. MC 56, a marked stone,
 THENCE South 49 degrees 22 minutes 13 seconds West 1,175.56 feet to Bt. MC 57, a marked stone,
 THENCE South 19 degrees 52 minutes 55 seconds West 988.07 feet to Bt. MC 58 and W-MC 95, a marked stone being a point in a bend in the main Caliente Canon opposite the mouth of Prairie Dog Canon, thence westerly across the divide between the Caliente Canon and the Vermejo River on the following bearings and distances:

THENCE North 67 degrees 45 minutes 03 seconds West 836.78 feet to Bt. MC 59, a marked stone,
 THENCE North 85 degrees 52 minutes 16 seconds West 1,796.02 feet to Bt. MC 60, a marked stone,
 THENCE South 51 degrees 11 minutes 22 seconds West 1,240.36 feet to Bt. MC 61, a marked stone,
 THENCE South 63 degrees 58 minutes 38 seconds West 1,893.71 feet to Bt. MC 62, a marked Stone,
 being a point on the West side of the Vermejo River, thence Southeasterly along the West line of the Vermejo Valley;

THENCE South 45 degrees 28 minutes 41 seconds East 1,714.32 feet to Bt. MC 63, a marked stone,
 THENCE South 49 degrees 05 minutes 19 seconds East 386.96 feet to Bt. MC 64, a marked stone,
 THENCE South 55 degrees 05 minutes 22 seconds East 944.28 feet to Bt. MC 65, a marked stone,
 THENCE South 24 degrees 36 minutes 44 seconds East 1,313.70 feet to Bt. MC 66, a marked stone,
 THENCE South 26 degrees 08 minutes 49 seconds East 1,086.91 feet to Bt. MC 67, a marked stone,
 THENCE South 45 degrees 47 minutes 52 seconds East 821.52 feet to Bt. MC 68, a marked stone,
 THENCE North 55 degrees 43 minutes 18 seconds East 1,039.19 feet across the Vermejo River, to Bt. MC 69, a marked stone, thence along the East edge of the Vermejo Valley,

THENCE South 13 degrees 04 minutes 26 seconds East 1,348.14 feet to Bt. MC 70, a marked stone,
 THENCE South 06 degrees 49 minutes 49 seconds East 903.44 feet to Bt. MC 71, a marked stone,
 THENCE South 07 degrees 56 minutes 09 seconds East 784.78 feet to Bt. MC 72, a marked stone,
 thence easterly across Straight Canon and across the West fork of Stout Canon and Southerly across the main fork of Stout Canon on the following bearings and distances:

THENCE South 70 degrees 36 minutes 50 seconds East 756.88 feet to Bt. MC 73, a marked stone,
 THENCE North 79 degrees 14 minutes 13 seconds East 2,170.87 feet to Bt. MC 74, a marked stone,

THENCE North 59 degrees 57 minutes 30 seconds East 693.10 feet to Bt. MC 75, a marked stone,
 THENCE North 77 degrees 34 minutes 00 seconds East 263.23 feet to Bt. MC 76, a marked stone,
 THENCE North 55 degrees 25 minutes 44 seconds East 558.61 feet to Bt. MC 77, a marked stone,
 THENCE North 72 degrees 00 minutes 59 seconds East 253.01 feet to Bt. MC 78, a marked stone,
 THENCE North 88 degrees 43 minutes 10 seconds East 2,540.56 feet to Bt. MC 79, a marked stone,
 THENCE South 83 degrees 22 minutes 44 seconds East 136.16 feet to Bt. MC 80, a marked stone,
 THENCE South 13 degrees 29 minutes 52 seconds East 5,725.58 feet to Bt. MC 81, the Southeast Corner, a marked stone, being a point on the divide between Stout Canon and drainage and Doe Canon, thence Northeasterly along the summit of the divide between Stout Canon and drainage and Doe Canon and drainage and Caliente Canon and drainage and Rail Canon and drainage on the following bearings and distances:

THENCE North 85 degrees 58 minutes 54 seconds East 793.10 feet to Bt. MC 82, a marked stone,
 THENCE North 28 degrees 21 minutes 03 seconds East 1,395.45 feet to Bt. MC 83, a marked stone,
 THENCE North 48 degrees 42 minutes 40 seconds East 714.26 feet to Bt. MC 84, a marked stone,
 THENCE North 52 degrees 17 minutes 02 seconds East 267.63 feet to Bt. MC 85, a marked
 stone,
 THENCE North 45 degrees 52 minutes 44 seconds East 1,010.89 feet to Bt. MC 86, a marked stone,
 THENCE North 31 degrees 53 minutes 12 seconds East 414.54 feet to Bt. MC 87, a marked stone,
 THENCE North 75 degrees 31 minutes 24 seconds East 656.24 feet to Bt. MC 88, a marked stone,
 THENCE North 83 degrees 40 minutes 25 seconds East 200.92 feet to MC 89, a marked stone,
 THENCE North 30 degrees 05 minutes 55 seconds East 1,722.65 feet to MC 90, a marked stone,
 THENCE North 46 degrees 32 minutes 12 seconds East 727.81 feet to MC 91, a marked stone,
 THENCE North 58 degrees 41 minutes 57 seconds East 135.88 feet to MC 92, a marked stone,
 THENCE North 22 degrees 59 minutes 15 seconds East 1,699.20 feet to MC 93, a marked stone,
 THENCE North 03 degrees 41 minutes 42 seconds West 286.53 feet to MC 94, a marked stone,
 THENCE North 64 degrees 33 minutes 55 seconds East 993.22 feet to MC 95, a set 2" x 2" hub,
 THENCE North 12 degrees 43 minutes 00 seconds East 305.96 feet to MC 96, a marked stone,
 THENCE North 76 degrees 54 minutes 45 seconds East 502.51 feet to MC 97, a marked stone,
 THENCE South 80 degrees 15 minutes 24 seconds East 276.06 feet to MC 98, a marked stone,
 THENCE North 73 degrees 41 minutes 56 seconds East 745.36 feet to MC 99, a marked stone,
 THENCE South 55 degrees 51 minutes 25 seconds East 685.57 feet to MC 100, a marked stone,
 THENCE North 48 degrees 16 minutes 39 seconds East 867.87 feet to MC 101, a marked stone,
 THENCE North 45 degrees 21 minutes 54 seconds East 541.19 feet to MC 102, a marked stone,
 THENCE North 34 degrees 55 minutes 45 seconds East 557.56 feet to MC 103, a marked stone,
 THENCE North 60 degrees 53 minutes 59 seconds East 1,031.66 feet to MC 104, a marked stone,
 THENCE North 83 degrees 53 minutes 52 seconds East 1,147.50 feet to MC 105, a set 3/4 inch iron
 pipe,
 THENCE North 03 degrees 28 minutes 17 seconds West 167.83 feet to MC 106, a set 3/4 inch iron
 pipe,
 THENCE North 17 degrees 13 minutes 15 seconds West 195.82 feet to MC 107, a marked stone,
 THENCE North 02 degrees 53 minutes 40 seconds West 812.24 feet to MC 108, a marked stone,
 THENCE North 05 degrees 40 minutes 34 seconds East 156.71 feet to MC 109, a marked stone,
 thence Northeasterly along the summit of divide between Saltpeter Canon and drainage and Caliente Canon
 and drainage on the following bearings and distances:
 THENCE North 25 degrees 41 minutes 09 seconds West 1,305.02 feet to MC 110, a marked stone,
 THENCE North 09 degrees 23 minutes 57 seconds East 1,730.30 feet to MC 111, a marked stone,
 THENCE North 21 degrees 38 minutes 52 seconds East 126.74 feet to MC 112, a marked stone,
 THENCE North 09 degrees 54 minutes 03 seconds East 514.03 feet to MC 113, a set 3/4 inch iron
 pipe,
 THENCE North 54 degrees 28 minutes 47 seconds East 989.24 feet to MC 114, a marked stone,
 THENCE North 17 degrees 43 minutes 00 seconds East 490.22 feet to MC 115, a set 3/4 inch iron
 pipe,
 THENCE North 02 degrees 41 minutes 25 seconds West 270.21 feet to MC 116, a set 3/4 inch iron
 pipe,
 THENCE North 49 degrees 32 minutes 04 seconds East 656.56 feet to MC 117, a marked stone,
 THENCE North 24 degrees 36 minutes 57 seconds East 640.02 feet to MC 118, a marked stone,
 THENCE North 06 degrees 13 minutes 48 seconds East 221.10 feet to MC 119, a marked stone,
 THENCE North 35 degrees 57 minutes 13 seconds East 1,045.15 feet to MC 120, a set concrete nail
 and tag in rock,
 THENCE North 11 degrees 48 minutes 04 seconds East 183.02 feet to MC 121, a marked stone,
 THENCE North 74 degrees 54 minutes 42 seconds East 678.32 feet to MC 122, a marked stone,
 THENCE North 19 degrees 57 minutes 11 seconds East 269.16 feet to MC 123, a marked stone,
 THENCE North 24 degrees 25 minutes 07 seconds East 326.19 feet to MC 124, a marked stone,
 THENCE North 84 degrees 41 minutes 26 seconds East 854.02 feet to MC 125, a set 3/4 inch iron
 pipe,

THENCE North 72 degrees 06 minutes 26 seconds East 840.48 feet to W-MC 43, a set 3/4 inch iron pipe,

THENCE North 77 degrees 46 minutes 26 seconds East 1,070.84 feet to W-MC 44, a marked stone,

THENCE North 72 degrees 11 minutes 47 seconds East 962.40 feet to W-MC 45, a marked stone,

THENCE South 59 degrees 08 minutes 36 seconds East 365.05 feet more or less to W-MC 46, a marked stone, the POINT OF BEGINNING.

TRACT 5 (YORK CANYON)

All of Section 3 and portions of Section 3 and portions of Sections 2, 4, 9, 10 and 11, Township 30 North, Range 19 East, and all of Section 28 and portions of Sections 20, 21, 22, 27, 29, 32, 33, 34 and 35, Township 31 North, Range 19 East, more particularly described as follows:

Beginning at an initial stone which is located in York Canon, about four hundred and thirty (430) feet south and sixty (60) feet west of the junction of the York and the Road Canon water courses; running thence south five thousand nine hundred and forty (5940) feet and thence east one thousand three hundred and twenty (1320) feet to the point of beginning, which is the southwest corner of the said tract of land; running thence east five thousand two hundred and eighty (5280) feet to the southeast corner of said tract; thence north nine thousand nine hundred (9900) feet; thence north twenty-six (26) degrees thirty-four (34) minutes west two thousand nine hundred and fifty-one and six-tenths (2951.6) feet; thence north four thousand six hundred and twenty (4620) feet to the northeast corner of said tract; thence west six thousand two hundred and seventy (67270) feet; thence north six hundred and sixty (660) feet; thence west six thousand nine hundred and thirty (6930) feet, to the northwest corner of said tract; thence south one thousand nine hundred and eighty (1980) feet; thence south twenty-nine (29) degrees forty-five (45) minutes east five thousand three hundred and twenty-one and one-tenth (5321.1) feet; thence south nineteen (19) degrees fifty-nine (59) minutes east seven thousand seven hundred and twenty-five and one-tenth (7725.1) feet; thence east one thousand three hundred and twenty (1320) feet; thence south thirty-three (33) degrees and forty-one and one-half (41-1/2) minutes east four thousand seven hundred and fifty-nine and three-tenths (4759.3) feet to the southwest corner of said tract, which is the point of beginning; containing four thousand one hundred and twenty-five (4,125) acres, more or less.

TRACT 9 (KAISER EXCHANGE TRACTS)

Two parcels of land and real estate conveyed by Vermejo Park Corporation to Kaiser Steel Corporation with reservations in the Special Warranty Deed dated 19th day of August, 1977, recorded in Colfax County Deed Volume 132 at pages 249, et seq., more particularly described as follows, to-wit:

Parcel A:

Beginning at a point, which is also the Point of Beginning for the Cherokee and Pittsburg Coal and Mining Company Lease, as recorded in Book "T" of Deeds, Page 333 of the Records of Colfax County, New Mexico;

Thence S. 73 deg. 51' 25" W. on a New Mexico State Grid Bearing for the Eastern Zone, said Grid Bearing being 00 deg. 25' 39" West of an average true north bearing for this parcel and to which all other bearings in this description are relative, a distance of 159.53 feet to corner WB-1,

Thence S. 54 deg. 49' 34" W. 887.63 feet to corner WB-2,
Thence S. 76 deg. 46' 31" W. 859.61 feet to corner WB-3,
Thence S. 58 deg. 22' 58" W. 489.15 feet to corner WB-4,
Thence S. 43 deg. 08' 52" W. 373.35 feet to corner WB-5,
Thence S. 57 deg. 58' 56" W. 463.20 feet to corner WB-6,
Thence S. 57 deg. 19' 07" W. 280.21 feet to corner WB-7,
Thence N. 26 deg. 09' 03" W. 900.71 feet to corner WB-8,
Thence N. 32 deg. 46' 38" W. 1,473.98 feet to corner WB-90,
Thence N. 35 deg. 05' 18" W. 447.96 feet to corner WB-10,
Thence N. 87 deg. 07' 34" W. 377.96 feet to corner WB-11,
Thence N. 86 deg. 05' 23" W. 436.33 feet to corner WB-12,
Thence N. 36 deg. 47' 47" W. 928.15 feet to corner WB-13,
Thence N. 67 deg. 40' 44" W. 941.70 feet to corner WB-14,
Thence N. 40 deg. 08' 54" W. 701.25 feet to corner WB-15,
Thence N. 84 deg. 04' 39" W. 284.26 feet to corner WB-16,
Thence N. 66 deg. 47' 27" W. 1,029.46 feet to corner WB-17,
Thence N. 21 deg. 22' 38" W. 746.82 feet to corner WB-18,
Thence N. 73 deg. 40' 43" W. 833.76 feet to corner WB-19,
Thence N. 20 deg. 15' 12" W. 504.56 feet to corner WB-20,
Thence N. 35 deg. 52' 34" W. 2,059.53 feet to corner WB-21,
Thence N. 03 deg. 56' 08" W. 1,535.20 feet to corner WB-22,
Thence N. 30 deg. 31' 52" W. 1,068.93 feet to corner WB-23,
Thence N. 21 deg. 22' 16" E. 1,357.26 feet to corner WB-24,
Thence N. 20 deg. 56' 14" E. 1,049.39 feet to corner WB-25,
Thence N. 46 deg. 01' 23" E. 1,599.28 feet to corner WB-26,
Thence N. 14 deg. 25' 26" W. 1,082.16 feet to corner WB-27,
Thence N. 89 deg. 00' 46" E. 1,686.16 feet to corner WB-28,

Thence N. 84 deg. 22' 12" E. 396.21 feet more or less to corner WB-29, a point on the westerly boundary of the above described Cherokee and Pittsburg Coal and Mining Company Lease, whence corner C&P #9 of the Cherokee and Pittsburg Coal and Mining Company Lease, bears N. 30 deg. 10' 39" W. 3,376.51 feet, thence southerly along the westerly boundary of the said Cherokee and Pittsburg Coal and Mining Company Lease the following bearings and distances.

Thence S. 30 deg. 10' 39" E. 1,944.59 feet more or less to corner C&P #10,

Thence S. 20 deg. 24' 39" E. 7,725.10 feet more or less to corner C&P #11,

Thence N. 89 deg. 34' 21" E. 1,320.00 feet more or less to corner C&P #12,

Thence S. 34 deg. 07' 09" E. 4,759.30 feet more or less to the Point of Beginning.

Containing approximately 1,546 acres.

Parcel B:

Beginning at an initial stone which is located in York Canon about 430 feet south and 60 feet west of the junction of the York and the road Canon Water courses; ;running thence S 00 deg. 25' 39" E. on a New Mexico State Grid Bearing for the Eastern Zone, said Grid Bearing being 00 deg. 25' 39" West of a true north bearing at the "Initial Point" of the Pittsburg and Cherokee Coal & Mining Company Lease and to which all other bearings in this description are relative, a distance of 5,940.00 feet, and then N 89 deg. 34' 21" E. a distance of 1,320.00, and thence N 89 deg. 34' 21" E., a distance of 5,280.00 feet, to the point of beginning, which is the southwest corner of said tract of land;

Thence N 00 deg. 25' 39" W. a distance of 9,900.00 feet,

Thence N 26 deg. 59' 39" W. a distance of 2,951.60 feet,

Thence N 00 deg. 25' 39" W. a distance of 4,620.00 feet,

Thence North a distance of 6,100.00 feet,

Thence East a distance of 11,022.00 feet,

Thence South a distance of 23,250.00 feet,

Thence West a distance of 9,574.00 feet to the southwest corner of said tract, which is the Point of Beginning,

Containing approximately 5,518 acres.

TRACT 13 (NATIONAL RIFLE ASSOCIATION)

A tract of land containing 27,759 acres of land, more or less out of Townships 29, 30 and 31 North, Ranges 21, 22 and 23 East, all in Colfax County, New Mexico and being further described by metes and bounds as follows:

Beginning at a pile of stones, marked 1/4, the original North 1/4 corner of Section One (1), Township 30 North, Range 22 East, the BEGINNING CORNER of this Survey;

Course K1: Thence N. 00 deg. 04 min. 27 sec. W., 2,046.00 feet to a 5/8 inch iron rod in a ring of stones;

Course K2: Thence N. 63 deg. 29 min. 58 sec. W., 1,125.14 feet to a 5/8 inch iron rod in a ring of stones;

Course K3: Thence N. 30 deg. 14 min. 20 sec. W., 682.20 feet to a 5/8 inch iron rod in a ring of stones;

Course K4: Thence N. 47 deg. 10 min. 16 sec. W., 3,574.69 feet to a 5/8 inch iron rod in a ring of stones;

Course K5: Thence N. 89 deg. 44 min. 38 sec. W., 1,622.60 feet to a 5/8 inch iron rod in a ring of stones;

Course K6: Thence N. 38 deg. 54 min. 32 sec. W., 622.90 feet to a 5/8 inch iron rod in a ring of stones;

Course K7: Thence N. 03 deg. 01 min. 24 sec. E., 1,569.50 feet to a 5/8 inch iron rod in a ring of stones;

Course K8: Thence N. 63 deg. 07 min. 04 sec. W., 2,069.34 feet to a 5/8 inch iron rod in a ring of stones;

Course K9: Thence N. 77 deg. 40 min. 44 sec. W., 1,252.04 feet to a 5/8 inch iron rod in a ring of stones;

Course K10: Thence S. 75 deg. 45 min. 24 sec. W., 499.26 feet to a 5/8 inch iron rod in a ring of stones;

Course K11: Thence S. 50 deg. 19 min. 10 sec. W., 1,609.03 feet to a 5/8 inch iron rod in a ring of stones;

Course K12: Thence S. 68 deg. 40 min. 40 sec. W., 1,563.30 feet to a 5/8 inch iron rod in a ring of stones;

Course K13: Thence S. 45 deg. 58 min. 16 sec. W., 946.37 feet to a 5/8 inch iron rod in a ring of stones;

Course K14: Thence S. 79 deg. 34 min. 10 sec. W., 883.52 feet to a 5/8 inch iron rod in a ring of stones;

Course K15: Thence S. 57 deg. 41 min. 09 sec. W., 1,965.66 feet to a 5/8 inch iron rod in a ring of stones;

Course K16: Thence S. 38 deg. 01 min. 31 sec. W., 3,841.72 feet to a 5/8 inch iron rod in a ring of stones;

Course K17: Thence S. 22 deg. 20 min. 37 sec. W., 1,282.47 feet to a 5/8 inch iron rod in a ring of stones;

Course K18: Thence S. 80 deg. 41 min. 29 sec. W., 560.82 feet to a 5/8 inch iron rod in a ring of stones;

Course K19: Thence N. 86 deg. 03 min. 42 sec. W., 1,093.19 feet to a 5/8 inch iron rod in a ring of stones;

Course K20: Thence S. 89 deg. 31 min. 15 sec. W., 625.89 feet to a 5/8 inch iron rod in a ring of stones;

Course K21: Thence S. 18 deg. 00 min. 14 sec. W., 1,309.26 feet to a 5/8 inch iron rod in a ring of stones;

Course K22: Thence S. 63 deg. 24 min. 23 sec. W., 395.00 feet to a 5/8 inch iron rod in a ring of stones;

Course K23: Thence N. 49 deg. 50 min. 00 sec. W., 737.04 feet to a 5/8 inch iron rod in a ring of stones;

Course K24: Thence N. 01 deg. 28 min. 00 sec. W., 289.44 feet to a 5/8 inch iron rod in a ring of stones;

Course K25: Thence N. 38 deg. 41 min. 38 sec. W., 442.06 feet to a 5/8 inch iron rod in a ring of stones;

Course K26: Thence S. 70 deg. 10 min. 03 sec. W., 621.64 feet to a 5/8 inch iron rod in a ring of stones;

Course K27: Thence N. 59 deg. 03 min. 30 sec. W., 716.72 feet to a 5/8 inch iron rod in a ring of stones;

Course K28: Thence S. 86 deg. 05 min. 33 sec. W., 657.47 feet to a 5/8 inch iron rod in a ring of stones;

Course K29: Thence N. 75 deg. 19 min. 03 sec. W., 1,043.29 feet to a 5/8 inch iron rod in a ring of stones;

Course K30: Thence S. 36 deg. 33 min. 27 sec. W., 428.56 feet to a 5/8 inch iron rod in a ring of stones;

Course K31: Thence S. 15 deg. 55 min. 58 sec. W., 478.66 feet to a 5/8 inch iron rod in a ring of stones;

Course K32: Thence S. 01 deg. 39 min. 47 sec. W., 753.37 feet to a 5/8 inch iron rod in a ring of stones;

Course K33: Thence S. 27 deg. 41 min. 52 sec. E., 852.61 feet to a 5/8 inch iron rod in a ring of stones;

Course K34: Thence S. 34 deg. 43 min. 08 sec. W., 684.58 feet to a 5/8 inch iron rod in a ring of stones;

Course K35: Thence S. 54 deg. 50 min. 34 sec. W., 1,246.20 feet to a 5/8 inch iron rod in a ring of stones;

Course K36: Thence S. 57 deg. 29 min. 20 sec. W., 1,062.05 feet to a 5/8 inch iron rod in a ring of stones;

Course K37: Thence S. 43 deg. 19 min. 04 sec. W., 175.86 feet to a 5/8 inch iron rod in a ring of stones;

Course K38: Thence S. 34 deg. 38 min. 54 sec. W., 1,583.67 feet to a 5/8 inch iron rod in a ring of stones;

Course K39: Thence S. 57 deg. 39 min. 33 sec. W., 963.56 feet to a 5/8 inch iron rod in a ring of stones;

Course K40: Thence S. 86 deg. 12 min. 04 sec. W., 764.93 feet to a 5/8 inch iron rod in a ring of stones;

Course K41: Thence S. 66 deg. 58 min. 55 sec. W., 681.40 feet to a 5/8 inch iron rod in a ring of stones;

Course K42: Thence S. 46 deg. 36 min. 30 sec. W., 438.79 feet to a 5/8 inch iron rod in a ring of stones;

Course K43: Thence S. 26 deg. 33 min. 59 sec. W., 2,104.28 feet to a 5/8 inch iron rod in a ring of stones;

Course K44: Thence S. 00 deg. 21 min. 44 sec. E., 925.84 feet to a 5/8 inch iron rod in a ring of stones;

Course K45: Thence S. 25 deg. 22 min. 49 sec. W., 771.38 feet to a 5/8 inch iron rod in a ring of stones;

Course K46: Thence S. 01 deg. 18 min. 35 sec. E., 300.22 feet to a 5/8 inch iron rod in a ring of stones;

Course K47: Thence S. 29 deg. 02 min. 52 sec. W., 1,024.65 feet to a 5/8 inch iron rod in a ring of stones;

Course K48: Thence S. 56 deg. 51 min. 21 sec. E., 1,007.80 feet to a 5/8 inch iron rod in a ring of stones;

Course K49: Thence S. 51 deg. 17 min. 14 sec. E., 4,336.67 feet to USC&GS. Triangulation Station "Coal," being a standard brass cap set in a large boulder;

Course K50: Thence S. 57 deg. 22 min. 54 sec. E., 3,139.76 feet to a 5/8 inch iron rod in a ring of stones;

Course K51: Thence N. 82 deg. 16 min. 37 sec. E., 1,210.63 feet to a 5/8 inch iron rod in a ring of stones;

Course K52: Thence S. 34 deg. 42 min. 29 sec. E., 1,776.60 feet to a 5/8 inch iron rod in a ring of stones;

Course K53: Thence S. 62 deg. 50 min. 50 sec. E., 1,581.70 feet to a 5/8 inch iron rod in a ring of stones;

Course K54: Thence S. 34 deg. 01 min. 52 sec. E., 3,155.19 feet to a 5/8 inch iron rod in a ring of stones;

Course K55: Thence S. 61 deg. 39 min. 10 sec. E., 1,689.65 feet to a 5/8 inch iron rod in a ring of stones;

Course K56: Thence S. 27 deg. 48 min. 17 sec. E., 3,371.27 feet to a 5/8 inch iron rod in a ring of stones;

Course K57: Thence S. 16 deg. 43 min. 18 sec. E., 1,549.49 feet to a 5/8 inch iron rod in a ring of stones;

Course K58: Thence S. 54 deg. 01 min. 38 sec. E., 1,279.92 feet to a 5/8 inch iron rod in a ring of stones;

Course K59: Thence S. 44 deg. 16 min. 46 sec. E., 2,359.47 feet to a 5/8 inch iron rod in a ring of stones;

Course K60: Thence S. 41 deg. 04 min. 50 sec. E., 2,085.75 feet to a 5/8 inch iron rod in a ring of stones;

Course K61: Thence S. 69 deg. 32 min. 12 sec. E., 2,881.45 feet to a 5/8 inch iron rod in a ring of stones;

Course K62: Thence S. 41 deg. 21 min. 57 sec. E., 1,417.99 feet to a 5/8 inch iron rod in a ring of stones;

Course K63: Thence S. 49 deg. 54 min. 52 sec. E., 7,811.42 feet to a 5/8 inch iron rod in a ring of stones;

Course K64: Thence S. 59 deg. 22 min. 31 sec. E., 3,704.36 feet to a 5/8 inch iron rod, being at the base of a larger rock outcropping on the South slope of a large mountain;

Thence generally along the same elevation as the base of the rock outcropping as follows:

Course K65: Thence N. 09 deg. 05 min. 05 sec. W., 901.29 feet to a pile of stones;

Course K66: Thence S. 77 deg. 32 min. 30 sec. E., 440.37 feet to a pile of stones;

Course K67: Thence N. 14 deg. 44 min. 36 sec. E., 491.17 feet to a pile of stones;

Course K68: Thence East 445.00 feet to a pile of stones;

Course K69: Thence N. 33 deg. 01 min. 25 sec. E., 74.39 feet to the point of intersection of said elevation with the extended South line of Section One (1), Township 29 North, Range 22 East;

Course K70: Thence N. 89 deg. 04 min. 53 sec. E., along the projected South line of said Section One (1), 2,043.81 feet to the projected Southeast corner of said Section One (1), from whence a 60d nail and a ring of stones bears North 32 deg. 09 min. 18 sec. West, 314.85 feet;

Course K71: Thence N. 00 deg. 54 min. 42 sec. W., along the projected East line of said Section One (1), 5,321.01 feet to the projected Northeast corner of said Section One (1); from whence a 60d nail and ring stone bears South 23 deg. 10 min. 57 sec. East, 291.17 feet and a pile of stones with stone marked 1/4 on the South slope of a large mountain found with the original accepted West quarter corner of Section Thirty-one (31), Township 30 North, Range 23 East bears North 00 deg. 54 min. 42 sec. West, 2,635.73 feet;

Course K72: Thence S. 89 deg. 05 min. 18 sec. W., 5,280.00 feet to the projected Northwest corner of said Section One (1);

Course K73: Thence N. 00 deg. 54 min. 42 sec. W., along the projected West line of Section Thirty-six (36), township 30 North, Range 22 East, 5,2098.43 feet to the projected Northwest corner of said Section Thirty-six (36);

Course K74: Thence N. 89 deg. 05 min. 18 sec. E., along the projected North line of said Section Thirty-six (36), 5,280.00 feet to a large pile of stones found for the original accepted Northwest corner of Section Thirty-one (31), Township 30 North, Range 23 East;

Course K75: Thence N. 88 deg. 10 min. 29 sec. E., along the North lines of Sections Thirty-one (31) and Thirty-two (32), Township 30 North, Range 23 East, 10,482.52 feet to a large pile of stones and marked stone found for the original accepted Northeast corner of said Section thirty-two (32);

Course K76: Thence N. 00 deg. 18 min. 40 sec. W., along the East line of Sections Twenty-nine (29), Twenty (20) and Seventeen (17), Township 30 North, Range 23 East, 13,569.28 feet to a stone marked 1/4 found for the original accepted East 1/4 corner of Section Seventeen (17);

Course DE9: Thence N. 68 deg. 01 min. 25 sec. E., 5,832.46 feet to a 5/8 inch iron rod in a pile of stones;

Course DE8: Thence N. 00 deg. 04 min. 58 sec. W., along the East line of Section Sixteen (16), at 396.00 feet past a 1/ 1/4 inch black iron pipe set in the center of a large pile of stones; with a stone marked for the original accepted Southeast corner of Section Nine (9);

Thence continuing North 00 deg. 04 in. 58 sec. W., along the East line of Section Nine (9); a total distance of 3,090.33 feet to a pile of stones, with a stone marked 1/4 for the original accepted East quarter corner of Section Nine (9);

Course DE7: Thence N. 00 deg. 00 min. 03 sec. W., along the East line of Section Nine (9) and Four (4), a distance of 4,591.58 feet to a 5/8 inch iron rod in a ring of stones in the original accepted East line of Section Four (4);

Course DE6: Thence S. 84 deg. 28 min. 19 sec. W., 500 feet South of and parallel to a graded road, a distance of 10,037.76 feet to a 5/8 inch iron rod in a ring of stones;

Course DE5: Thence N. 68 deg. 20 min. 29 sec. W., 1,087.91 feet to a 5/8 inch iron rod in a ring of stones;

Course K80: Thence N. 60 deg. 34 min. 30 sec. W., 456.80 feet to a 5/8 inch iron rod in a ring of stones, set in the East line of a tract of land described in the deed from Maxwell Land Grant Corporation to Fredrick Dahrens, dated October 28, 1907, and recorded in Book "W", page 227 of the deed records of Colfax County, New Mexico.

Course K81: Thence S. 00 deg. 04 min. 13 sec. E., 1,636.33 feet to a 5/8 inch iron rod in a pile of stones, the Southeast corner of the above described Dahrens tract;

Course K82: Thence S. 66 deg. 25 min. 34 sec. W., along the Southeasterly line of the above described Dahrens tract, 2,013.10 feet to a 5/8 inch iron rod in a ring of stones, the Southwest corner of the Dahrens tract;

Course K83: Thence N. 00 deg. 04 min. 24 sec. W., 224.39 feet to a 5/8 inch iron rod in a pile of stones, the Southeast corner of a tract of land conveyed by deed from Maxwell Land Grant Corporation to Dargel, dated April 20, 1907 and recorded in Vol. "W", page 128 of the deed records of Colfax County, New Mexico;

Course K84: Thence S. 89 deg. 55 min. 31 sec. W., along the South line of said Dargel tract, 5,280.19 feet to a point, the Southwest corner of the Dargel tract;

Course K85: Thence N. 00 deg. 04 min. 27 sec. W., along the West line of said Dargel tract, 5,068.52 feet to the BEGINNING CORNER of this tract and containing 27,759.0 acres.

TRACT 14 (STATE HIGHWAY 555)

The following described tracts of real state, also described as Parcels numbered 4-2, 5-1, 5-3, 6-2, 8-4, 10-3, 11-3, 12-2, 23-2 and 24-2, on the plat of survey entitled "New Mexico State Highway Department York Canyon Road Right of Way Maps, Colfax County, New Mexico" and particularly described as follows:

TRACT I, Parcel 4-2:

A parcel of land within the Maxwell Grant, Colfax County, New Mexico, more particularly described as follows:

Beginning at a point on the common boundary line of the Kaiser Steel Corporation and the Pennzoil Corporation from which corner BTMC-37 lies S 76_41'57" W, a distance of 2665.83 feet, said point being 100.00 feet left of station 336+60.59 of NMSHD Project No. SP 2442 (9000), thence along the new right-of-way line along a curve to the right with: Delta = 7_19'46", R = 2009.86 feet, L = 257.11 feet (chord: N 73_28'07" E, 256.93 feet) to a point of tangency, thence N 77_08'00" E, a distance of 308.37 feet to a point of curvature, thence along a curve to the left with: Delta = 4_12'00" R = 5629.58 feet, L = 412.67 feet, (chord: N 75_02'06" E, 412.58 feet) to a point of tangency, thence N 72_56'00" E, a distance of 1453.89 feet to a point of curvature, thence along a curve to the right with: Delta = 22_12'00", R = 1532.395 feet, L = 593.75 feet, (chord: N 84_02'00" E, 590.04 feet) to a point of tangency, thence S 84_52'00" E, a distance of 140.07 feet to a point on said boundary line which is 100.00 feet left of station 367+82.23 thence along said boundary line S 76_41'57" W, a distance of 3146.12 feet to the point and place of beginning. Containing 4.122 _ acres. All as delineated on that certain plat of survey entitled: "New Mexico State highway Department York Canyon road Right-of-Way Maps, Colfax County, New Mexico," Sheets 4 and 5.

TRACT II, Parcel No. 5-1:

A parcel of land within the Maxwell Grant, Colfax County, New Mexico, more particularly described as follows:

Beginning at a point on the boundary line common to the Kaiser Steel Corporation and the Pennzoil Corporation from which corner BMC-38 (a 3/4" pipe) lies N 43_31'31" W, a distance of 336.06 feet, said point being 100.00 feet left of centerline station 377+00.51 of NMSHD Project No SP 2442(900), thence along the new right-of-way line S 81_52'00" E, a distance of 273.24 feet to a point of curvature, thence along a curve to the right with: Delta = 45_38'00", R = 863.944 feet, L = 688.09 feet (chord: S 62_03'00" E, 670.05 feet) to a point of tangency, thence S 39_14'00" E, a distance of 951.51 feet to a point on said boundary line which is 100.00 feet left of station 395+33.68, thence along said boundary line N 77_59'18" W, a distance of 319.49 feet to a point which

is 100.00 feet right of station 392+84.56, thence along the new right-of-way line N 39_14'00" W, a distance of 702.36 feet to a point of curvature, thence along a curve to the left with: Delta = 45_38'00", R = 663.944 feet, L = 528.80 feet, (chord: N 62_03'00" W, 514.93 feet) to a point of tangency, thence N 84_52'00" W, a distance of 45.92 feet to a point on said boundary line which is 100.00 feet right of station 379+27.83, thence along said boundary line N 43_31'31" W, a distance of 302.78 feet to the point and place of beginning. Containing 7.323 _ acres. All as delineated on that certain plat of survey entitled: "New Mexico State Highway Department York Canyon Road Right-of-Way Maps, Colfax County, New Mexico," Sheet 5.

TRACT III, Parcel No. 5-3:

A parcel of land within the Maxwell Grant, Colfax County, New Mexico, more particularly described as follows:

Beginning at a point on the boundary line common to the Kaiser Steel Corporation and the Pennzoil Corporation from which corner BMC-39 (a 3/4" pipe) lies N 77_59'18" W, a distance of 1784.79 feet, said point being 100.00 feet left of station 409+99.63 of NMSHD Project No. SP 2442(900), thence along the new right-of-way line N 73_46'00" E, a distance of 205.40 feet to a point of curvature, thence along a curve to the right with: Delta = 43_54'00", R = 1245.92 feet, L = 954.62 feet, (chord: S 84_17'00" E, 931.44 feet) to a point of tangency, thence S 62_20'00" E, a distance of 1946.57 feet to a point of curvature, thence along a curve to the right with: Delta = 18_54'13", R = 2964.79 feet, L = 978.17 feet, (chord: S 52_53'43" E, 973.74 feet) to point on said boundary line which is 100.00 feet left of station 449+74.83, thence along said boundary line N 62_45'02" W, a distance of 2811.39 feet to corner BMC-40 (a brass disk and stone), thence along said boundary line N 77_59'18" W, a distance of 73.51 feet to a point which is 100.00 feet right of station 421+08.09, thence along the new right-of-way line N 62_20'00" W, a distance of 25.04 feet to a point of curvature, thence along a curve to the left with: Delta = 32_37'39", R = 1045.92 feet, L = 595.61 feet, (chord: N 78_38'50" W, 587.59 feet) to a point which is 100.00 feet right of station 414+30.48, thence N 77_59'18" W, a distance of 465.25 feet to the point and place of beginning. Containing 14.326 _ acres. All as delineated on that certain plat of survey entitled: "New Mexico State Highway Department York Canyon Road Right-of-Way Maps, Colfax County, New Mexico," Sheets 5 and 6.

TRACT IV, Parcel No. 6-2:

A parcel of land within the Maxwell Grant, Colfax County, New Mexico, more particularly described as follows:

Beginning at a point on the boundary line common to the Kaiser Steel Corporation and the Pennzoil Corporation from which corner BMC-41 (a 3/4" pipe) lies N 21_14'22" W, a distance of 36.41 feet, said point being 100.00 feet left of station 450+43.03 of NMSHD Project No. SP 2442(900), thence along the new right-of-way line along a curve to the right with: Delta = 20_33'45", R = 2064.79 feet, L = 1064.01 feet, (chord: S 31_47'52" E, 1058.31 feet) to a point of tangency, thence S 21_31'00" E, a distance of 304.49 feet to a point of curvature, thence along a curve to the left with: Delta = 39_29'00", R = 1045.916 feet, L = 647.74 feet, (chord: S 39_15'30" E, 637.44 feet) to point of tangency, thence S 57_00'00" E, a distance of 1097.52 feet to a point of curvature, thence along a curve to the left with: Delta = 38_39'00", R = 1045.916 feet, L = 705.14 feet, (chord: S 76_19'30" E, 692.24 feet) to a point of tangency, thence N 84_21'00" E, a distance of 2187.05 feet to a point of curvature, thence along a curve to the right with: Delta = 53_34'00", R = 863.944 feet, L = 807.71 feet, (chord: S 68_52'00" E,

778.62 feet) to a point of tangency, thence S 42_05'00" E, a distance of 349.09 feet to a point of curvature, thence along a curve to the left with: Delta = 61_41'00", R = 1332.395 feet, L = 1434.43 feet, (chord: N 72_55'30" E, 1366.15 feet) to a point of tangency, thence N 76_14'00" E, a distance of 488.92 feet to a point of curvature, thence along a curve to the right with: Delta = 24_13'39", R = 1245.916 feet, L = 526.84 feet, (chord: N 88_20'53" E, 522.92 feet) to a point on the boundary line common to the Kaiser Steel Corporation and the Pennzoil Corporation which is 100.00 feet left of station 547+21.74, thence along said boundary line S 67_54'05" W, a distance of 622.88 feet to a point which is 100.00 feet right of station 541+32.15, thence along the new right-of-way line S 76_14'00" W, a distance of 383.89 feet to a point of curvature, thence along a curve to the right with: Delta = 61_41'00", R = 1532.395 feet, L = 1649.74 feet, (chord: N 72_55'30" W, 1571.22 feet) to a point of tangency, thence N 42_05'00" W, a distance of 349.09 feet to a point of curvature, thence along a curve to the left with Delta = 15_25'03", R = 663.944 feet, L = 178.66 feet, (chord: N 49_47'32" W, 178.12 feet) to a point on the common boundary line which is 100.00 feet right of station 516+51.52, thence along said boundary line N 42_22'04" W, a distance of 263.85 feet to corner BMC-45 (a No. 5 bar), thence along said boundary line S 80_10'38" W, a distance of 957.65 feet to a point which is 100.00 feet right of station 504+40.14, thence along the new right-of-way line S 84_21'00" W, a distance of 1484.31 feet to a point of curvature, thence along a curve to the right with: Delta = 38_39'00", R = 1245.916 feet, L = 840.46 feet, (chord: N 76_19'30" W, 824.61 feet) to a point of tangency, thence N 57_00'00" W, a distance of 1097.52 feet to a point of curvature, thence along a curve to the right with: Delta = 30_49'31", R = 1245.916 feet, L = 670.30 feet, (chord: N 41_35'14" W, 662.25 feet) to a point on said common boundary line which is 100.00 feet right of station 4/????, thence along said boundary line N 21_14'22" W, a distance of 1447.00 feet to the point and place of beginning. Containing 40.359 _ acres. All as delineated on that certain plat of survey entitled: "New Mexico State Highway Department York Canyon Road Right-of-Way Maps, Colfax County, New Mexico," Sheets 6, 7 and 8.

TRACT V, Parcel No. 8-4:

A parcel of land within the Maxwell Grant, Colfax County, New Mexico, more particularly described as follows:

Beginning at a point on the boundary line common to the Kaiser Steel Corporation and the Pennzoil Corporation from which corner MC-47 is N 58_09'13" W, a distance of 545.40 feet, said point beginning 100.00 feet left of station 553+80.85 of NMSHD Project No. SP 2442(900), thence along the new right-of-way line S 69_49'00" E, a distance of 1661.92 feet to a point of curvature, thence along a curve to the left with: Delta = 40_24'00", R = 1045.916 feet, L = 737.49 feet, (chord: N 89_59'00" E, 722.30 feet), to a point of tangency, thence N 69_47'00" E, a distance of 2149.23 feet to a point of curvature, thence along a curve to the right with: Delta = 80_33'00", R = 981.474 feet, L = 1379.82 feet, (chord: S 69_56'31" E, 1268.96 feet) to a point of tangency, thence S 29_40'00" E, a distance of 2419.96 feet to a point of curvature, thence along a curve to the left with: Delta = 44_33'00", R = 854.93 feet, L = 664.75 feet, (chord: S 51_56'30" E, 648.13 feet) to a point of tangency, thence S 74_13'00" E, a distance of 412.20 feet to a point of curvature, thence along a curve to the right with: Delta = 39_35'00", R = 1054.93 feet, L = 728.81 feet, (chord: S 54_25'29" E, 714.40 feet) to a point of tangency, thence S 34_38'00" E, a distance of 1679.28 feet to a point of curvature, thence along a curve to the left with: Delta = 68_56'00", R = 941.74 feet, L = 1133.02 feet, (chord: S 69_06'00" E, 1065.91 feet) to a point of tangency, thence N 76_26'00" E, a distance of 1376.40 feet to a point on the boundary line common to the Kaiser Steel Corporation and the Pennzoil Corporation which is 100.00 feet left of station 697+20.89, thence along said boundary line S 50_10'16" W, a distance of 452.00 feet to a point which is 100.00 feet right of

station 693+15.55, thence along the right-of-way line S 76_26'00" W, a distance of 971.06 feet to a point of curvature, thence along a curve to the right with: Delta = 33_59'08", R = 1141.74 feet, L = 677.23 feet, (chord: N 86_34'27" W, 667.35 feet) to a point which is 100.00 feet right of station 677+26.57, thence along the common boundary line N 53_44'36" W, a distance of 623.20 feet to a point which is 100.00 feet right of station 671+50.65, thence along the right-of-way line along a curve to the right with: Delta = 3_16'20", R = 1141.74 feet, L = 65.21 feet, (chord: N 36_16'01" W, 65.20 feet) to a point of tangency, thence N 34_38'00" W, a distance of 730.22 feet to a point which is 100.00 feet right of station 663+60.94, thence along the common boundary line N 25_31'48" W, a distance of 673.85 feet to corner MC-53, thence N 58_30'50" W, a distance of 263.35 feet to a point which is 100.00 feet right of station 654+54.81, thence along the new right-of-way line N 34_38'00" W, a distance of 42.93 feet to a point of curvature, thence along a curve to the left with: Delta = 39_35'00", R = 854.93 feet, L = 590.64 feet, (chord: N 54_25'30" W, 578.96 feet) to a point of tangency, thence N 74_13'00" W, a distance of 216.75 feet to a point which is 100.00 feet right of station 645+35.41, thence along the common boundary line N 58_30'50" W, a distance of 905.14 feet to a point which is 100.00 feet right of station 636+75.89, thence along the new right-of-way line along a curve to the right with: Delta = 4_42'20", R = 1054.93 feet, L = 86.64 feet, (chord: N 32_01'24" W, 86.61 feet) to a point of tangency, thence N 29_40'00" W, a distance of 2419.96 feet to a point of curvature, thence along a curve to the left with: Delta = 3_24'23", R = 781.474 feet, L = 46.46 feet, (chord: N 31_22'11" W, 46.45 feet) to a point which is 100.00 feet right of station 611+25.09, thence along the common boundary line W 8_51'20" W, a distance of 325.68 feet to corner MC-51, thence S 82_49'35" W, a distance of 286.03 feet to a point which is 100.00 feet right of station 606+22.32, thence along the new right-of-way line along a curve to the left with: Delta = 44_27'48", R = 781.474 feet, L = 606.45 feet, (chord: N 87_59'06" W, 591.34 feet) to a point of tangency, thence S 69_47'00" W, a distance of 480.12 feet to a point which is 100.00 feet right of station 595+19.88, thence along the common boundary line S 82_49'35" W, a distance of 328.71 feet to corner MC-50, thence S 57_36'05" W, a distance of 351.56 feet to a point which is 100.00 feet right of station 585+56.00, thence along the new right-of-way line S 69_47'00" W, a distance of 1005.23 feet to a point of curvature, thence along a curve to the right with: Delta = 3_24'01", R = 1245.916 feet, L = 73.94 feet, (chord: S 71_29'13" W, 73.93 feet) to a point which is 100.00 feet left of station 577+82.76, thence along the common boundary line S 83_59'21" W, a distance of 467.15 feet to a point which is 100.00 feet right of station 573+50.55, thence along the new right-of-way line along a curve to the right with: Delta = 15_23'20", R = 1245.916 feet, L = 334.64 feet, (chord: N 77_30'40" W, 333.63 feet) to a point of tangency, thence N 69_49'00" W, a distance of 693.02 feet to a point which is 100.00 feet right of station 563+49.75, thence along the common boundary line N 58_09'13" W, a distance of 989.33 feet to the point and place of beginning. Containing 58.334 _ acres. All as delineated on that certain plat of survey entitled: "New Mexico State Highway Department York Canyon Road Right-of-Way Maps, Colfax County, New Mexico," Sheets 8, 9 and 10.

TRACT VI, Parcel No. 10-3:

A parcel of land within the Maxwell Grant, Colfax County, New Mexico, more particularly described as follows:

Beginning at a point on the boundary line common to the Kaiser Steel Corporation and the Pennzoil Corporation from which corner MC-56 lies N 39_58'51" W, a distance of 391.14 feet, said point being 100.00 feet left of station 704+55.27 of NMSHD Project No. SP 2442(900), thence along the new right-of-way line along a curve to the right with: Delta = 33_04'41", R = 918.51 feet, L = 530.27 feet, (chord: S 66_17'19" E, 522.94 feet) to a point of tangency, thence S 49_45'00" E, a distance of 1075.14 feet to a point of

curvature, thence along a curve to the right with: Delta = 19_03'00", R = 2009.86 feet, L = 668.25 feet, (chord: S 40_13'30" E, 665.17 feet) to a point of tangency, thence S 30_42'00" E, a distance of 612.68 feet to a point of curvature, thence along a curve to the left with: Delta = 14_05'00", R = 2764.79 feet, L = 679.59 feet, (chord: S 37_44'30" E, 677.88 feet) to a point of tangency, thence S 44_47'00" E, a distance of 427.68 feet to a point on the common boundary line which is 100.00 feet left of station 743+82.48, thence along said boundary line N 59_38'05" W, a distance of 729.52 feet to a point which is 100.00 feet right of station 736+86.30, thence along the new right-of-way line along a curve to the right, with: Delta = 8_42'48", R = 2964.79 feet, L = 450.87 feet, (chord: N 35_03'24" W, 450.44 feet) to a point of tangency, thence N 30_42'00" W, a distance of 612.68 feet to a point of curvature, thence along a curve to the left with: Delta = 1_30'25", R = 1809.86 feet, L = 47.601 feet, (chord: N 31_27'12" W, 47.600 feet) to a point on the common boundary line which is 100.00 feet right of station 725+87.72, thence along said boundary line N 11_48'08" W, a distance of 359.78 feet to corner MC-58, thence N 65_32'42" W, a distance of 503.56 feet to a point which is 100.00 feet right of station 717+80.23, thence along the new right-of-way line N 49_45'00" W, a distance of 852.40 feet to a point of curvature, thence along a curve to the left with: Delta = 10_38'16", R = 718.51 feet, L = 133.40 feet, (chord: N 55_04'10" W, 133.21 feet) to a point on the common boundary line which is 100.00 feet right of station 707+75.86, thence along said boundary line N 39_58'51" W, a distance of 374.11 feet to the point and place of beginning. Containing 14.481 _ acres. All as delineated on that certain plat of survey entitled: "New Mexico State Highway Department York Canyon Road Right-of-Way Maps, Colfax County, New Mexico," Sheets 10 and 11.

TRACT VII, Parcel No. 11-3:

A parcel of land within the Maxwell Grant, Colfax County, New Mexico, more particularly described as follows:

Beginning at a point on the boundary line common to the Kaiser Steel Corporation and the Pennzoil Corporation from which corner BMC-60 (a 3/4" pipe and stone) lies N 20_55'06" W, a distance of 178.95 feet, said point being 100.00 feet left of station 747+97.10 of NMSHD Project No. SP 2442(900), thence along the new right-of-way line along a curve to the right with: Delta = 7_53'15", R = 2964.79 feet, L = 408.14 feet, (chord: S 37_42'37" E, 407.82 feet) to a point of tangency, thence S 33_46'00" E, a distance of 848.78 feet to a point of curvature, thence along a curve to the left with: Delta = 20_46'00", R = 1809.86 feet, L = 655.98 feet, (chord: S 44_09'00" E, 652.39 feet) to a point of tangency, thence S 54_32'00" E, a distance of 1231.01 feet to a point of curvature, thence along a curve to the left with: Delta = 18_30'00", R = 1809.86 feet, L = 584.38 feet, (chord: S 63_47'00" E, 581.84 feet) to a point of tangency, thence S 73_02'00" E, a distance of 1224.96 feet to a point of curvature, thence along a curve to the right with: Delta = 6_26'00", R = 5829.58 feet, L = 654.56 feet, (chord: S 69_49'00" E, 654.22 feet) to a point of tangency, thence S 66_36'00" E, a distance of 182.49 feet to a point of curvature, thence along a curve to the left with: Delta = 9_32'00", R = 3719.72 feet, L = 618.92 feet, (chord: S 71_22'00" E, 618.20 feet) to a point of tangency, thence S 76_08'00" E, a distance of 2122.62 feet to a point which is 100.00 feet left of station 833+89.11, thence S 13_52'00" W, a distance of 200.00 feet to a point which is 100.00 feet right of station 833+89.11, thence N 76_08'00" W, a distance of 299.65 feet to a point on the boundary line common to the Kaiser Steel Corporation and the Pennzoil Corporation which is 100.00 feet right of station 830+89.46, thence along said boundary line N 55_16'56" W, a distance of 287.79 feet to corner MC-66 (a No. 5 bar), thence along said boundary line N 82_01'24" W, a distance of 988.22 feet to a point which is 100.00 feet right of station 818+27.57, thence along the right-of-way line N 76_08'00" W, a distance of 561.08 feet to a point of curvature, thence along a curve to the right with: Delta = 6_11'57", R = 3919.72 feet, L = 424.11 feet, (chord: N 73_02'01" W, 423.90 feet) to a

point on the common boundary line which is 100.00 feet right of station 808+53.21, thence along said boundary line N 46_01'01" W, a distance of 358.28 feet to corner MC-63 (a No. 5 bar), thence N 73_34'35" W, a distance of 2346.96 feet to corner MC-62 (a No. 5 bar), thence N 55_55'06" W, a distance of 1542.03 feet to a point which is 100.00 feet right of station 766+61.58, thence along the new right-of-way line along a curve to the right with: Delta = 18_38'22", R = 2009.86 feet, L = 653.85 feet, (chord: N 43_05'11" W, 650.97 feet) to a point of tangency, thence N 33_46'00" W, a distance of 501.74 feet to a point on the common boundary line which is 100.00 feet right of station 755+38.53, thence along said boundary line N 20_55'06" W, a distance of 773.26 feet to the point and place of beginning. Containing 30.957 _ acres. All as delineated on that certain plat of survey entitled: "New Mexico State Highway Department York Canyon Road Right-of-Way Maps, Colfax County, New Mexico," Sheets 11 and 12.

TRACT VIII, Parcel No. 12-2:

A strip of land 200.00 feet in width, 100.00 feet on each side of the following described line:

Beginning at a point from which the northeast corner of the Pennzoil Corporation (a 3/4 inch pipe and stone marked BT-N.E. Cor.) lies S 26_31'51" W, a distance of 202.17 feet, said point being centerline station 833+89.11 of NMSHD Project No. SP 2442(900); thence along a curve to the right with: Delta = 12_54'00", R = 2864.79 feet, L = 645.00 feet, T = 323.87 feet, to a point of tangency, thence S 63_14'00" E, a distance of 196.03 feet to a point of curvature, thence along a curve to the left with: Delta = 54_01'00", R = 1432.395 feet, L = 1350.42 feet, T = 730.10 feet, to a point of tangency, thence N 62_45'00" E, a distance of 1582.90 feet to a point of curvature, thence along a curve to the right with: Delta = 30_50'00", R = 1432.395 feet, L = 770.83 feet, T = 395.00 feet, to a point of tangency, thence S 86_25'00" E, a distance of 2234.11 feet to a point of curvature, thence along a curve to the left with: Delta = 25_22'00", R = 1145.916 feet, L = 507.33 feet, T = 257.89 feet, to a point of tangency, thence N. 68_13'00" E, a distance of 1239.56 feet to a point of curvature, thence along a curve to the right with: Delta = 46_56'00", R = 954.93 feet, L = 782.22 feet, T = 414.55 feet, to a point of tangency, thence N 64_51'00" E, a distance of 954.10 feet to a point of curvature, thence along a curve to the left with: Delta = 25_36'00", R = 1145.916 feet, L = 512.00 feet, T = 260.35 feet, to a point of tangency, thence N 89_33'00" E, a distance of 1745.36 feet to a point of curvature, thence along a curve to the right with: Delta = 36_01'00", R = 2864.79 feet, L = 1800.83 feet, T = 931.29 feet, to a point of tangency, thence S 54_26'00" E, a distance of 383.76 feet to a point of curvature, thence along a curve to the left with: Delta = 55_02'00", R = 1145.916 feet, L = 1100.67 feet, T = 596.95 feet, to a point of tangency, thence N 70_32'00" E, a distance of 939.57 feet to a point of curvature, thence along a curve to the right with: Delta = 43_36'58", R = 1432.395 feet, L = 1090.40 feet, T = 573.15 feet, to a point of tangency, thence S 65_51'02" E, a distance of 144.69 feet to a point of curvature, thence along a curve to the left with: Delta = 15_06'58", R = 1432.395 feet, L = 377.90 feet, T = 190.06 feet, to a point of tangency, thence S 80_58'00" E, a distance of 639.90 feet to a point of curvature, thence along a curve to the right with: Delta = 16_14'00", R = 1909.86 feet, L = 541.11 feet, T = 272.38 feet, to a point of tangency, thence S 64_44'00" E, a distance of 1526.06 feet to a point of curvature, thence along a curve to the right with: Delta = 29_55'00", R = 1145.916 feet, L = 598.33 feet, T = 306.15 feet, to a point of tangency, thence S 34_49'00" E, a distance of 971.64 feet to a point of curvature, thence along a curve to the left with: Delta = 62_02'00", R = 818.51 feet, L = 886.19 feet, T = 492.13 feet, to a point of tangency, thence N 83_09'00" E, a distance of 431.28 feet to a point of curvature, thence along a curve to the right with: Delta = 4_09'00", R = 5729.58 feet, L = 415.00 feet, T = 207.59 feet, to a point of tangency, thence N 87_18'00" E, a distance of 727.89 feet to a point of curvature, thence along a

curve to the left with: Delta = 24_57'00", R = 1145.916 feet, L = 499.00 feet, T = 253.52 feet, to a point of tangency, thence N 62_21'00" E, a distance of 612.89 feet to a point of curvature, thence along a curve to the left with: Delta = 22_10'00", R = 1432.395 feet, L = 554.17 feet, T = 280.59 feet, to a point of tangency, thence N 40_11'00" E, a distance of 2212.20 feet to a point of curvature, thence along a curve to the right with: Delta = 22_59'00", R = 1432.395 feet, L = 574.58 feet, T = 291.21 feet, to a point of tangency, thence N 63_10'00" E, a distance of 967.02 feet to a point of curvature, thence along a curve to the left with: Delta = 7_47'00", R = 5729.58 feet, L = 778.33 feet, T = 389.77 feet, to a point of tangency, thence N 55_23'00" E, a distance of 2209.18 feet to a point of curvature, thence along a curve to the right with: Delta = 39_29'00", R = 1432.395 feet, L = 987.08 feet, T = 514.05 feet, to a point of tangency, thence S 85_08'00" E, a distance of 1047.17 feet to a point of curvature, thence along a curve to the left with: Delta 20_21'00", R = 1909.86 feet, L = 678.33 feet, T = 342.78 feet, to a point of tangency, thence N 74_31'00" E, a distance of 447.64 feet to a point of curvature, thence along a curve to the right with: Delta = 12_13'00", R = 2864.79 feet, L = 610.83 feet, T = 306.58 feet, to a point of tangency, thence N 86_44'00" E, a distance of 622.38 feet to a point of curvature, thence along curve to the right with: Delta = 14_55'00", R = 2864.79 feet, L = 745.83 feet, T = 375.04 feet, to a point of tangency, thence S 78_21'00" E, a distance of 3008.54 feet to a point of curvature, thence along a curve to the left with: Delta = 26_22'00", R = 1145.916 feet, L = 527.33 feet, T = 268.42 feet, to a point of tangency, thence N 75_17'00" E, a distance of 184.06 feet to a point of curvature, thence along a curve to the right with: Delta = 17_29'00", R = 1909.86 feet, L = 588.33 feet, T = 296.52 feet, to a point of tangency, thence S 87_04'00" E, a distance of 221.70 feet to a point of curvature, thence along a curve to the left with: Delta = 10_56'00", R = 1909.26 feet, L = 364.44 feet, T = 182.78 feet, to a point of tangency, thence N 82_00'00" E, a distance of 292.84 feet to a point of curvature thence along a curve to the right with: Delta = 30_41'00", R = 1145.916 feet, L = 613.67 feet, T = 314.38 feet, to a point of tangency, thence S 67_19'00" E, a distance of 130.93 feet to a point of curvature, thence along a curve to the left with: Delta = 43_43'00", R = 1145.916 feet, L = 874.33 feet, T = 459.69 feet, to a point of tangency, thence N 68_58'00" E, a distance of 2082.32 feet to a point of curvature, thence along a curve to the right with: Delta = 11_40'00", R = 2864.79 feet, L = 583.33 feet, T = 292.68 feet, to a point of tangency, thence N 80_38'00" E, a distance of 848.47 feet to a point of curvature, thence along a curve to the right with: Delta = 73_38'00", R = 763.944 feet, L = 981.78 feet, T = 571.85 feet, to a point of tangency, thence S 25_44'00" E, a distance of 12.51 feet to a point of curvature, thence along a curve to the left with: Delta 51_53'00", R = 763.944 feet, L = 691.78 feet, T = 371.74 feet, to a point of tangency; thence S 77_37'00" E, a distance of 949.77 feet to a point of curvature; thence along a curve to the right with: Delta = 71_10'00", R = 763.944 feet, L = 948.89 feet, T = 546.59 feet to a point of tangency, thence S 06_27'00" E, a distance of 781.77 feet to a point of curvature, thence along a curve to the left with: Delta = 62_37'00", R = 763.944 feet, L = 834.89 feet, T = 464.64 feet, to a point of tangency, thence S 69_04'00" E, a distance of 702.79 feet to a point of curvature, thence along a curve to the right with: Delta = 24_09'00", R = 1909.86 feet, L = 805.00 feet, T = 408.57 feet, to a point of tangency, thence S 44_55'00" E, a distance of 3079.44 feet to a point of curvature, thence along a curve to the right with: Delta = 14_23'00", R = 1909.86 feet, L = 479.44 feet, T = 240.99 feet, to a point of tangency, thence S 30_32'00" E, a distance of 253.15 feet to a point of curvature, thence along a curve to the left with: Delta = 20_06'00", R = 1432.395 feet, L = 502.50 feet, T = 253.86 feet to a point of tangency, thence S 50_38'00" E, a distance of 565.68 feet to a point of curvature, thence along a curve to the right with: Delta = 25_27'00", R = 1432.395 feet, L = 636.25 feet, T = 323.46 feet to a point of tangency, thence S 25_11'00" E, a distance of 199.22 feet to a point from which corner D-3 (a brass cap) of the National Rifle Association lies S 01_45'56" E, a distance of 402.12 feet, said point being centerline station 1454+79.82 of NMSHD Project No. SP 2442(900). Containing 285.071 _ acres. All as delineated on that certain plat of survey entitled: "New

Mexico State Highway Department York Canyon Road Right-of-Way Maps, Colfax County, New Mexico," Sheets 12-23.

TRACT IX, Parcel No. 23-2:

A parcel of land within the Maxwell Grant, Colfax County, New Mexico, more particularly described as follows:

Beginning at a point from which corner D-3 (a brass cap) of the National Rifle Association lies S 01_45'56" E, a distance of 402.12 feet, said point being centerline station 1454+79.82 of NMSHD Project No. 2442(900), thence N 64_49'00" E, a distance of 100.00 feet to a point which is 100.00 feet left of station 1454+79.82, thence along the new right-of-way line along a curve to the left with: Delta = 54_12'00", R = 1332.395 feet, L = 1260.40 feet, (chord: S 52_17'00" E, 1213.92 feet) to a point of tangency, thence S 79_23'00" E, a distance of 1280.95 feet to a point of curvature, thence along a curve to the right with Delta = 2_57'00", R = 5829.58 feet, L = 300.15 feet, (chord: S 77_54'28" E, 300.12 feet) to a point of tangency, thence S 76_26'00" E, a distance of 1050.27 feet to a point of curvature, thence along a curve to the right with: Delta = 54_26'-00", R = 863.944 feet, L = 820.78 feet, (chord: S 49_13'00" E, 790.26 feet) to a point of tangency, thence S 22_00'00" E, a distance of 527.98 feet to a point of curvature, thence along a curve to the left with: Delta = 37_45'00", R = 1809.86 feet, L = 1192.45 Feet, (chord: S 40_52'29" E, 1171.00 feet) to a point of tangency, thence S 59_45'00" E, a distance of 2566.22 feet to a point which is 100.00 feet left of station 1545+05.33, thence S 30'15'00" W, a Distance of 200.00 feet to a point which is 100.00 feet right of station 1545+05.33 thence N 59_45'00" W, a distance of 781.43 feet to a southerly boundary line of the Kaiser Steel Corporation which is 100.00 feet right of station 1537+23.91, thence along said boundary line N 0'30'07" E, a distance of 221.01 feet to corner D-5 (a brass cap), thence N 60_00'19" W, a distance of 2131.86 feet to a point, thence N 62_09'36" W, a distance of 347.51 feet to a point which is 100.00 feet right of station 1511+42.34, thence along the new right-of-way line along a curve to the right with: Delta = 14_10'20", R = 2009.86 feet, L = 497.15 feet, (chord: N 29_05'09" W, 495.88 feet) to a point of tangency, thence N 22_00'00" W, a distance of 527.98 feet to a point of curvature, thence along a curve to the left with: Delta = 54_26'00", R = 663.944 feet, L = 630.77 feet, (chord: N 49_13'00" W, 607.30 feet) to a point of tangency, thence N 76_26'00" W, a distance of 1050.27 feet to a point of curvature, thence along a curve to the left with: Delta = 2_57'00", R = 5629.58 feet, L = 289.85 feet, (chord: N 77_54'28" W, 289.82 feet) to a point of tangency, thence N 79_23'00" W, a distance of 1280.95 feet to a point of curvature, thence along a curve to the right with: Delta = 4_21'37", R = 1532.395 feet, L = 116.62 feet, (chord: N 77_12'12" W, 116.59 feet) to a point of the southern boundary line of the Kaiser Steel Corporation which is 100.00 feet right of station 1467+25.84, thence along said boundary line N 62_09'36" W, a distance of 682.32 feet to a point which is 100.00 feet right of station 1460+82.67, thence along the new right-of-way line along a curve to the right with: Delta = 24_06'48", R = 1532.395 feet, L = 644.92 feet, (chord: N 37_14'25" W, 640.17 feet) to a point which is 100.00 feet right of station 454+79.82, thence N 64_49'00" E, a distance of 100.00 feet to the point and place of beginning. Containing 31.415+acres. All as delineated on that certain plat of survey entitled: "New Mexico State Highway Department York Canyon Road Right-of-Way Maps, Colfax County, New Mexico," Sheets 23 and 24.

TRACT X, Parcel No. 24-2:

A strip of land 200.00 feet in width, 100.00 feet on each side of the following described line: Beginning at a point from which corner K-81 (a brass cap) of the National Rifle Association lies S 78_43'55" W, a distance of 743.71 feet, said point being centerline

station 1545+05.33 of NMSHD Project No. SP 2442(900), thence along a curve to the left with: Delta = $34^{\circ}23'00''$, R = 1432.395 feet, L = 859.58 feet, (chord: S $76^{\circ}56'31''$ E, 846.74 feet) to a point of tangency, thence N $85^{\circ}52'00''$ E, a distance of 9962.01 feet to a point on the southerly boundary line of the Kaiser Steel Corporation from which the southeast corner (a No. 4 bar) of the Kaiser Steel Corporation lies S $00^{\circ}34'11''$ W, a distance of 497.71 feet, said point being centerline station 1653+35.15.

And a triangular tract of land beginning at the termination point of the centerline described in the foregoing paragraph which point lies S $85^{\circ}52'00''$ W, a distance of 8.23 feet from a point on the southerly boundary line of the Kaiser Steel Corporation from which the southeast corner (a No. 4 bar) of the Kaiser Steel Corporation lies S $00^{\circ}34'11''$ W, a distance of 497.71 feet, said point on the Kaiser Steel Corporation southerly boundary being centerline station 1653+35.15; thence N $4^{\circ}08'00''$ W, a distance of 100.00 feet to a point on the new right-of-way line; thence N $85^{\circ}52'00''$ E, a distance of 16.46 feet to station 1653+43.38, being a point on the southerly boundary line of the Kaiser Steel Corporation; thence along said southerly boundary line of the Kaiser Steel Corporation S $00^{\circ}34'11''$ W, a distance of 200.68 feet, passing through centerline station 1653+35.15 to station 1653+26.93, being a point on the new right-of-way line; thence N $4^{\circ}08'00''$ W, a distance of 100.00 feet to the point and place of beginning.

Containing 49.724 + acres. All as delineated on that certain plat of survey entitled: "New Mexico State Highway Department York Canyon Road Right-of-Way Maps, Colfax County, New Mexico, " Sheets 24, 25 and 26.

COSTILLA COUNTY, COLORADO

That certain tract of land, estimated to contain about four thousand acres, and described as being a triangular tract beginning at Boundary Peak where the Easterly line of the Sangre de Cristo Grant intersects the South boundary line of the State of Colorado; thence West along said South boundary line of the State of Colorado about five miles to the Westerly top of the watershed of the Costilla River at or near Ventero Peak; thence Northeasterly about five miles along the Westerly top of the watershed of the Costilla River to the Easterly boundary of the Sangre de Cristo Grant; thence Southerly along the Easterly boundary of the Sangre de Cristo Grant three and one-half miles to the place of beginning.

LAS ANIMAS COUNTY, COLORADO**TRACT 1**

All that certain tract of land lying within the Maxwell Land Grant and situated in the unsurveyed townships of 34 and 35, Ranges 66 and 67, West of the 6th P.M. and more particularly described as follows:

Beginning at a Concrete Monument on the Colorado – New Mexico State line, said Concrete Monument being stamped Mile 97, Thence running N 89° 19' 40" East along the Colorado–New Mexico State line a distance of 300 feet to the point of beginning of the following described tract of land;

Thence running in a Northerly direction along the ridge between Oso Canyon and Martinez Canyon the following courses:

North 35° 44' 21" West a distance of 2,116.80 feet;
 North 16° 43' 21" West a distance of 1,419.45 feet;
 North 07° 50' 21" East a distance of 1,863.94 feet;
 North 30° 52' 36" East a distance of 1,266.50 feet;
 North 54° 04' 29" East a distance of 4,448.41 feet;
 North 27° 16' 06" East a distance of 2,758.80 feet;
 North 06° 52' 07" East a distance of 1,337.35 feet;
 North 1° 12' 42" East a distance of 2,381.96 feet;
 North 56° 41' 16" East a distance of 1,150.31 feet;
 North 13° 13' 16" East a distance of 1,922.46 feet, to the Southeast corner of the tract of land conveyed to Frank and Nora Parsons by the Colorado Fuel and Iron Corp. by deed dated January 3, 1946; thence running in a westerly direction along the divide between left Hand Oso Canyon and Bonita Canyon and following the said Parsons Tract of Land by description the following courses:

North 82° 31' 00" West a distance of 262.98 feet;
 South 87° 10' 00" West a distance of 376.31 feet;
 North 60° 47' 00" West a distance of 342.02 feet;
 South 84° 44' 00" West a distance of 924.00 feet;
 South 73° 04' 00" West a distance of 483.46 feet;
 North 74° 37' 00" West a distance of 461.81 feet;
 South 87° 22' 00" West a distance of 293.30 feet;
 South 73° 47' 00" West a distance of 264.48 feet;
 North 87° 46' 00" West a distance of 688.95 feet;
 North 65° 20' 00" West a distance of 285.00 feet;
 North 44° 17' 00" West a distance of 602.70 feet;
 North 63° 14' 00" West a distance of 445.52 feet;
 North 52° 30' 00" West a distance of 603.60 feet;

Thence continuing in a Westerly direction between the drainages of Oso Basin, Left Hand Oso and Bonita Canyon the following courses:

South 56° 23' 00" West a distance of 556.04 feet;
 South 59° 52' 00" West a distance of 157.28 feet;
 South 58° 45' 00" West a distance of 770.47 feet;
 South 74° 12' 00" West a distance of 1,815.27 feet;

Thence continuing along said Parsons Tract, crossing the divide between Lorencito Canyon and Oso Canyon the following courses:

North 75° 32' 00" West a distance of 429.70 feet;

South 69° 45' 00" West a distance of 471.88 feet;
 South 78° 13' 00" West a distance of 447.95 feet;

Thence continuing along said Parsons Tract, crossing Lorencito Canyon and running to the top of the ridge between Lorencito Canyon and Pancho Canyon the following courses:

North 60° 51' 00" West a distance of 542.22 feet;
 North 42° 45' 00" West a distance of 777.09 feet;
 North 39° 26' 00" West a distance of 301.96 feet;

Thence leaving said Parsons Tract Boundary and running in a Westerly direction, following the top of the ridge between Lorencito Canyon and Pancho Canyon the following courses:

South 47° 57' 42" West a distance of 417.66 feet;
 South 45° 45' 27" West a distance of 1,584.80 feet;
 South 67° 35' 25" West a distance of 1,068.82 feet;
 South 38° 45' 47" West a distance of 2,345.25 feet;
 South 56° 01' 27" West a distance of 1,356.29 feet;
 South 60° 02' 27" West a distance of 510.84 feet;
 North 65° 12' 33" West a distance of 241.54 feet;
 North 77° 38' 33" West a distance of 821.58 feet;
 South 66° 50' 20" West a distance of 1,869.08 feet;
 South 70° 05' 27" West a distance of 295.44 feet;
 South 62° 48' 57" West a distance of 477.28 feet;
 South 54° 08' 22" West a distance of 391.70 feet;
 South 76° 13' 52" West a distance of 798.00 feet;
 South 63° 49' 52" West a distance of 404.53 feet;
 South 77° 59' 32" West a distance of 438.95 feet;
 South 88° 33' 02" West a distance of 723.91 feet;
 South 80° 41' 22" West a distance of 326.90 feet;
 South 68° 21' 52" West a distance of 500.36 feet;
 South 72° 37' 52" West a distance of 642.90 feet;
 North 62° 58' 38" West a distance of 312.35 feet;
 North 70° 23' 18" West a distance of 565.40 feet;
 North 82° 40' 28" West a distance of 358.68 feet;
 South 89° 39' 59" West a distance 601.58 feet, to the Northwest corner of this described tract of land, thence leaving said ridge between Pancho Canyon and Lorencito Canyon and running South 00° 00' 00" West and running across Lorencito Canyon a distance of 12,079.36 feet to a point on the Colorado-New Mexico State Line, from which point a Concrete Monument stamped Mile 101 bears South 89° 41' 02" West a distance of 1,300.00 feet, thence running in a Easterly direction along the Colorado-New Mexico State line the following courses:

North 89° 41' 02" East a distance of 3,938.88 feet to Mile Post 100,
 North 89° 31' 55" East a distance of 5,231.28 feet to Mile Post 99,
 North 89° 13' 13" East a distance of 5,248.46 feet to Mile Post 98,
 North 89° 26' 57" East a distance of 5,285.02 feet to Mile Post 97,
 North 89° 19' 40" East a distance of 300.00 feet to the point of beginning containing 7,584.13 acres more or less, being a portion of property conveyed to Hal R. Pettigrew in Deed recorded in Book 840 at Page 633 No. 564671.

TRACT 2 (COTTONWOOD CANYON RANCH)

All that certain Tract of land lying within the Maxwell Land Grant and situated in the unsurveyed Townships 34 and 35, Ranges 64, 65, and 66 West of the 6th P.M. and more particularly described as follows:

Beginning at a Concrete Monument on the Colorado-New Mexico State line stamped Mile 86, thence running North 89° 13' 35" East along Colorado-New Mexico State line a distance of 2,432.68 feet to the point of beginning of the following described tract of land:

Thence running in a Northeasterly direction along a fence line running along the ridge between said Saruche Canyon and Gallinas Canyon the following courses:

North 07° 07' 15" West a distance of 294.20 feet,
 North 15° 38' 45" East a distance of 338.18 feet,
 North 21° 58' 32" East a distance of 115.46 feet,
 North 46° 06' 58" East a distance of 982.66 feet,
 North 39° 35' 24" East a distance of 1,615.28 feet,
 North 54° 19' 55" East a distance of 1,468.26 feet,
 North 36° 24' 25" East a distance of 912.05 feet,
 North 72° 29' 21" East a distance of 346.30 feet,
 North 45° 08' 36" East a distance of 372.08 feet,
 North 73° 48' 31" East a distance of 1,044.06 feet,
 North 39° 18' 28" East a distance of 1,008.65 feet,
 North 21° 12' 45" East a distance of 1,015.45 feet,
 North 5° 04' 30" East a distance of 595.34 feet,
 North 12° 56' 19" West a distance of 1,559.20 feet, thence leaving said fence line and the ridge between Saruche Canyon and Gallinas Canyon running South 88° 30' 01" West a distance of 529.74 feet; thence running North 22° 02' 15" West a distance of 3,482.34 feet to the Southeast Corner of the Anaconda Tract; thence running due West crossing the following Canyons, Saruche Canyon, Colorow Canyon, Sawmill Canyon, House Canyon, Long Canyon and Martinez Canyon a distance of 44,734.08 feet to a point; thence running due North along the ridge separating the drainage between Little Martinez Canyon, Sowbelly Canyon and Middle Fork Widow Woman Canyon--and--Right Hand Martinez Canyon, Trail Canyon and West Fork Woman Canyon a distance of 20,847.49 feet; thence running due West along the South line of said Anaconda Tract a distance of 8,587.10 feet to the Southwest corner of said Anaconda Tract (Alamosa Tract) where the Anaconda Tract (Alamosa Tract) join the aforesaid Parsons Tract; thence running along the East Boundary of said Parsons Tract and between the drainages of West Fork Widow Woman and Lorencito Canyon the following Courses:

South 04° 29' 00" West a distance of 21.0 feet;
 South 30° 04' 00" West a distance of 511.84 feet;
 South 38° 34' 00" West a distance of 1,450.30 feet;
 South 64° 05' 00" West a distance of 861.87 feet;
 South 05° 03' 00" West a distance of 690.77 feet;
 South 06° 00' 00" East a distance of 696.61 feet;
 South 18° 23' 00" East a distance of 289.37 feet;
 South 37° 28' 00" East a distance of 1,095.77 feet;
 South 21° 51' 00" East a distance of 972.56 feet;
 South 02° 55' 00" East a distance of 463.07 feet;
 South 31° 49' 00" West a distance of 943.40 feet;
 South 02° 46' 00" East a distance of 940.64 feet;
 South 31° 44' 00" West a distance of 725.76 feet;
 South 20° 28' 00" East a distance of 973.26 feet;
 South 17° 39' 00" East a distance of 1,294.71 feet to a point between the ridges between West Fork Widow Woman Canyon, Little Martinez Canyon and Lorencito Canyon; thence running in a Southerly direction between the drainages of Little Martinez Canyon and Lorencito Canyon the following courses:

South 35° 39' 00" West a distance of 611.84 feet;
 South 64° 04' 00" West a distance of 602.43 feet;

South 41° 20' 00" West a distance of 492.00 feet;
 South 45° 09' 00" West a distance of 349.78 feet;
 South 35° 47' 00" West a distance of 373.06 feet;
 South 34° 07' 00" West a distance of 470.40 feet;
 South 45° 25' 00" West a distance of 211.42 feet;
 South 35° 41' 00" West a distance of 249.40 feet;
 South 24° 18' 00" West a distance of 368.91 feet;
 South 26° 09' 00" West a distance of 727.87 feet;
 South 15° 37' 00" West a distance of 471.52 feet;
 South 29° 41' 00" West a distance of 1,012.20 feet;
 South 23° 29' 00" West a distance of 1,085.20 feet; to the Southeast corner of said Parsons Tract; thence running in a Southerly direction along the ridge between Martinez Canyon and Oso Canyon the following courses:

South 13° 13' 16" West a distance of 1,922.46 feet;
 South 56° 41' 16" West a distance of 1,150.31 feet;
 South 01° 12' 42" West a distance of 2,381.96 feet;
 South 06° 52' 07" West a distance of 1,337.35 feet;
 South 27° 16' 06" West a distance of 2,758.80 feet;
 South 54° 04' 29" West a distance of 4,448.41 feet;
 South 30° 52' 36" West a distance of 1,266.50 feet;
 South 07° 50' 21" West a distance of 1,863.94 feet;
 South 16° 43' 21" East a distance of 1,419.45 feet;
 South 35° 44' 21" East a distance of 2,116.80 feet;
 to a point on the Colorado-New Mexico State Line; thence running in a Easterly direction along the Colorado-New Mexico State line the following courses:

North 89° 19' 40" East a distance of 4,979.15 feet;
 North 89° 17' 54" East a distance of 5,271.43 feet;
 North 89° 20' 04" East a distance of 5,241.08 feet;
 North 89° 10' 20" East a distance of 5,236.49 feet;
 North 89° 26' 32" East a distance of 5,255.58 feet;
 North 89° 23' 18" East a distance of 5,203.46 feet;
 North 89° 35' 10" East a distance of 5,224.55 feet;
 North 89° 29' 47" East a distance of 5,233.14 feet;
 North 89° 39' 30" East a distance of 5,219.99 feet;
 North 89° 27' 37" East a distance of 5,188.94 feet;
 North 89° 29' 46" East a distance of 5,212.68 feet;
 North 89° 13' 35" East a distance of 2,432.68 feet; to the point of beginning, containing 23,002.34 acres more or less. Being the same property as that conveyed to George B. Montague, Trustee in Book 840 at Page 657 No. 564672.

Tract 1 contains 7,584.13 acres more or less.
 Tract 2 contains 23,002.34 acres more or less.

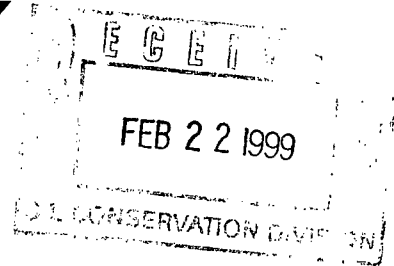
Total acres = 30,586.47 acres more or less.

Bearings used obtained from the Colorado State Plane Coordinate Systems

PENNZENERGY

P.O. Box 4616
Houston, Texas 77210-4616
713-546-6000

February 16, 1999



Roy Johnson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

re: Unorthodox Locations Application in Raton Basin

Dear Roy:

In accordance with Division Rule 104.F(3), please consider this correspondence as an application for administrative approval of proposed unorthodox gas well locations. Said proposed wells to be located within the Vermejo Ranch, in the Raton Basin in Colfax County, New Mexico.

Please refer to the enclosed map showing Vermejo Ranch within Colfax County. As you know, PennzEnergy (formerly Pennzoil Company) sold the surface of the ranch to Turner Enterprises in 1996. PennzEnergy retained subsurface oil and gas rights at all depths. There exists an agreement between PennzEnergy and Turner Enterprises that allows PennzEnergy to search for and produce hydrocarbons. The agreement is called the "Minerals Extraction Agreement". Also shown on the map are PennzEnergy's pilot wells drilled 1989 through 1991 and approved proposed well locations staked in 1998. All subsurface oil and gas interests are common throughout this lease.

PennzEnergy requests approval for non-standard locations throughout the lease as defined by park boundary. In agreement with Division Rule 104.F (1), these non-standard locations would be no closer than 330 ft. to the lease boundary, nor 10 ft. to any quarter-quarter section line or subdivision inner boundary. The reasons cited for the request are based on environmental and topographical considerations. In concurrence with the wishes of the landowner, PennzEnergy wants to locate operations that minimize the disturbance of wildlife habitat and to preserve the scenic beauty of the area. As for topographic considerations, the operator wants to minimize dirtwork construction activity by avoiding rugged terrain when practical.

This request for blanket approval of non-standard locations within the lease boundary defined by the Vermejo Ranch is inclusive for all subsurface oil and gas horizons including Raton Coalbeds, Vermejo Coalbeds, Pierre Shale, Niobrara and Dakota Sand formations.

Respectfully,

*3/3/99 Talked w/ Paul Bruce
Need 2 more maps, plus
official property survey.
Application change to 660' from outer property boundary.
Mineral extraction agreement to be placed in NSL
File.*

DR Lankford
Don Lankford
Senior Petroleum Engineer

Roy

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address. Pennzoil Exploration and Production Company P.O. Box 2967 Houston, Texas 77252-2967		² OGRID Number 17172
		³ API Number 30 - 007-20112
⁴ Property Code 23465	⁵ Property Name VPR - Canadian River 3219	⁶ Well No. 361J

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	36	32N	19E		1356	South	1395	East	Colfax

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

⁹ Proposed Pool 1 Vermejo Formation Coals	¹⁰ Proposed Pool 2
---	-------------------------------

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 8097'
¹⁶ Multiple No	¹⁷ Proposed Depth 2300'	¹⁸ Formation Vermejo/Trinidad	¹⁹ Contractor	²⁰ Spud Date 1/15/99

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-3/4"	8-5/8"	24#	350'	175	Surface
7-7/8"	5-1/2"	17#	2300'	450	Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

1. Drill 12-3/4" hole to 350' with air.
2. Set 8-5/8" casing and cement to surface.
3. Drill 7-7/8" hole to 2300' with air.
4. Set 5-1/2" casing to TD and cement to surface.
5. Perforate and stimulate Vermejo coals and run 2-7/8' tubing and pumping equipment.

COLLECT AND SACK SAMPLES FOR
NEW MEXICO BUREAU OF MINES, SOCORRO
AT AT LEAST TEN FOOT INTERVALS

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Paul L. Bruce*

Printed name: Paul L. Bruce

Title: Project Manager

Date: August 7, 1998

Phone: (713) 546-4819

OIL CONSERVATION DIVISION

Approved by: *[Signature]*

Title:

DISTRICT SUPERVISOR

Approval Date: 9/2/98

Expiration Date: 9/2/99

Conditions of Approval:

Attached *NSL REQUIRED*

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

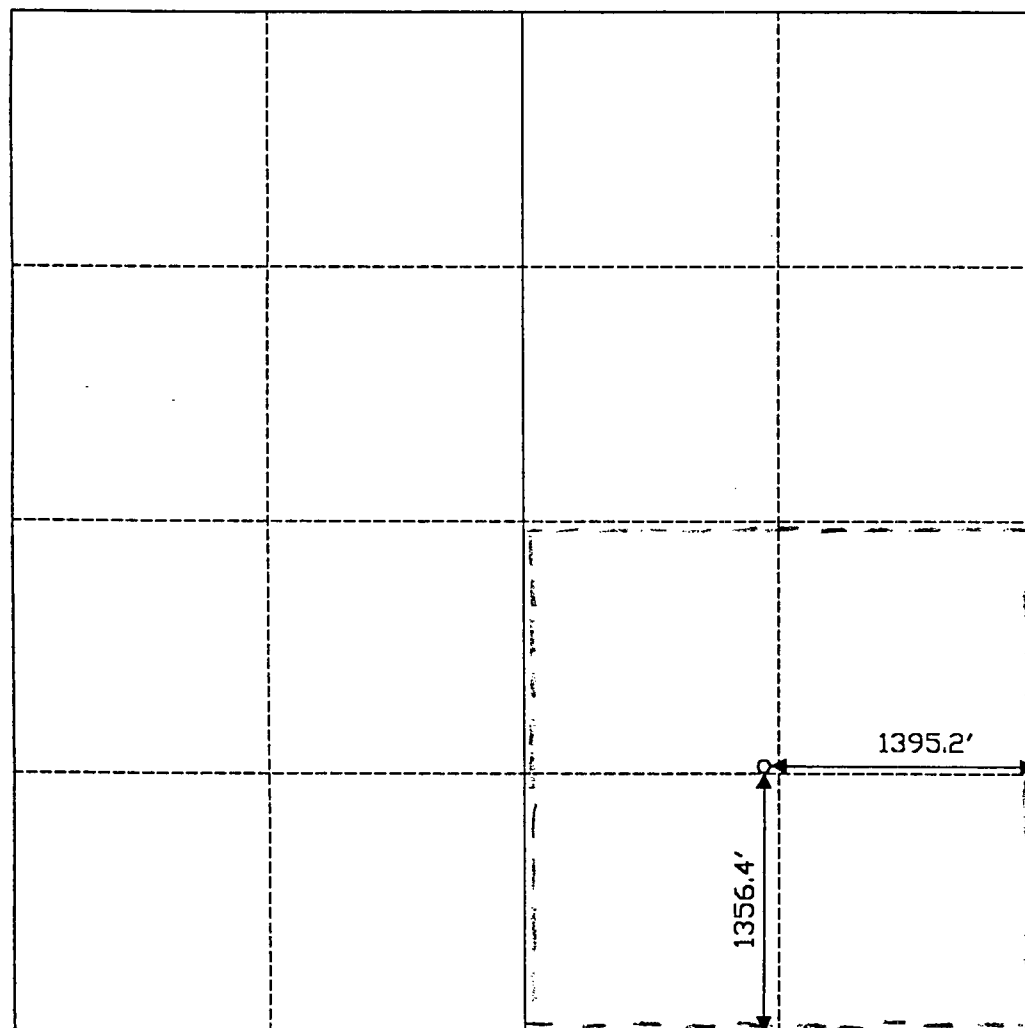
Operator PENNZOIL E & P COMPANY		Lease		Well No. 3219361J	
Unit Letter J	Section 36	Township 32 NORTH	Range 19 EAST	County COLFAX	
Actual Footage Location of Well					
1356.4 feet from the		SOUTH line and	1395.2 feet from the		EAST line
Ground Level Elev. 8097.19	Producing Formation		Pool		Dedicated Acreage <div style="text-align: right;">Acres</div>

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ YES ☐ NO If answer is "Yes" type of consolidation _____

If answer is "No" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Paul L. Bruce

Name

Position

Company

Date

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

JULY 14, 1998

Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

Certificate No.

N.M.E.S. NO. 5103

District I

PO Box 1980, Hobbs, NM 88241-1980

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, NM 87505

Form C-101

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies



AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address. Pennzoil Exploration and Production Company P.O. Box 2967 Houston, Texas 77252-2967		² OGRID Number 17172
		³ API Number 30 - 007-20111
⁴ Property Code 23644	⁵ Property Name VPR - Canadian River 3120	⁶ Well No. 062C

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	06	31N	20E		652	North	1717	West	Colfax

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

⁹ Proposed Pool 1 Vermejo Formation Coals	¹⁰ Proposed Pool 2
--	-------------------------------

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 8040'
¹⁶ Multiple No	¹⁷ Proposed Depth 2300'	¹⁸ Formation Vermejo/Trinidad	¹⁹ Contractor	²⁰ Spud Date 1/15/99

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-3/4"	8-5/8"	24#	350'	175	Surface
7-7/8"	5-1/2"	17#	2300'	450	Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

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5. Perforate and stimulate Vermejo coals and run 2-7/8' tubing and pumping equipment.

COLLECT AND SACK SAMPLES FOR
NEW MEXICO BUREAU OF MINES, SOCORRO
AT AT LEAST TEN FOOT INTERVALS

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Paul L. Bruce

Printed name: Paul L. Bruce

Title: Project Manager

Date: August 7, 1998

Phone: (713) 546-4819

OIL CONSERVATION DIVISION

Approved by:

Title:

DISTRICT SUPERVISOR

Approval Date:

9/2/98

Expiration Date:

9/2/99

Conditions of Approval:

Attached

R. NSL REQUIRED

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

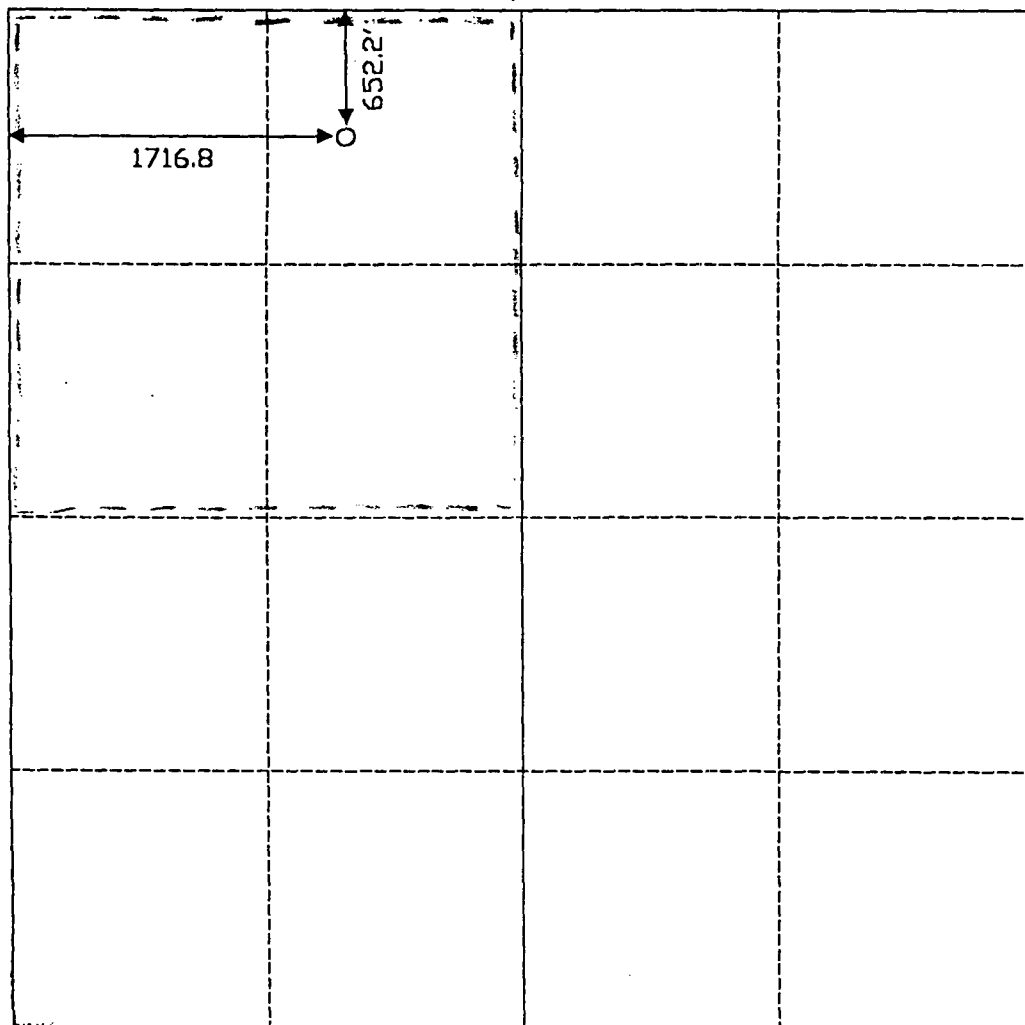
Operator PENNZOIL E & P COMPANY		Lease		Well No. 3120062C	
Unit Letter C	Section 06	Township 31 NORTH	Range 20 EAST	County COLFAX	
Actual Footage Location of Well					
652.2		feet from the	NORTH	Line and	1716.8
				feet from the	WEST
Ground Level Elev. 8039.95	Producing Formation		Pool		Dedicated Acreage
					Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ YES ☐ NO If answer is 'Yes' type of consolidation _____

If answer is 'No' list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Paul L. Bruce
Name

Position

Company

Date

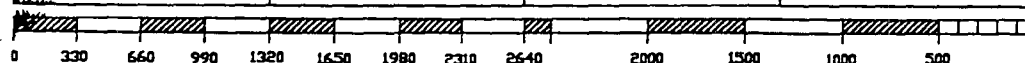
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

JULY 09, 1998

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No. **5123**
PAUL L. BRUCE



Filed For Record 9-23-96 at 9:29 AM Barbara Castillo, Recorder**MINERAL EXTRACTION AGREEMENT**

THIS AGREEMENT, dated this 20th day of September, 1996, is by and among Vermejo Park Corporation, a Delaware corporation ("VPC"), Vermejo Minerals Corporation, a Delaware corporation ("VMC"), Pennzoil Company, a Delaware corporation ("Pennzoil") (sometimes collectively referred to herein as "Producer"), and Vermejo Park, L.L.C., a Georgia limited liability company (the "Owner").

RECITALS

A. Owner is the owner of the Land and Mineral Land (as defined below) through several Warranty and Quitclaim Deeds executed pursuant to that certain Agreement for Purchase and Sale dated June 18, 1996, and executed by Producer and Owner (the "Purchase Agreement");

B. Producer reserved to itself and is the owner of the "Reserved Minerals" (as defined below);

C. Producer has not reserved to itself the mineral estate insofar as it covers coal, hard rock minerals or any other minerals not defined in Section 1.q. below (the "Non-Reserved Minerals"), and Producer has no right to explore for or develop the Non-Reserved Minerals;

D. Known existing oil and gas wells and production facilities in the Land are described in Exhibit E; and

E. The parties enter into this Mineral Extraction Agreement ("Agreement") to set forth their agreement with respect to:

1. The locations of future drill sites and related facilities in the Land and access thereto;

2. Operating standards and procedures that Producer shall be required to comply with to explore for and develop the Reserved Minerals and to maintain existing and future oil and gas wells so as to minimize interference with Owner's use and enjoyment of the Land; and

3. The royalty to be paid by Producer to Owner with respect to the production and sale of the Reserved Minerals from the Land and the Mineral Land.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Definitions. Specific terms that are used in this Agreement are defined as follows:

a. "Abandoned Wellsite" is any Wellsite Location upon which Hydrocarbon Operations have been conducted subsequent to the Effective Date of this Agreement, but in which no such operations have been conducted for an uninterrupted period of ten years.

b. "Annual General Development Plan" or "Development Plan" is the plan that Producer is required to provide to Owner each year that describes the exploration and development that Producer proposes for the Reserved Minerals for the calendar year. At a minimum, the plan

shall describe (1) the general area or areas of the Land affected by activities proposed; (2) a proposed timetable for each activity; (3) approximate locations of all routes of ingress and egress and approximate locations for all proposed Wellsite Locations, Central Facilities and Oil and Gas Facilities (all as defined below); (4) the general scope and character of activities proposed; and (5) seismic operations proposed and the area or areas of the Land on which such actions are proposed to take place. All proposed activities in the Development Plans shall comply with the terms of this Agreement.

c. "Audible Range" is a radius of distance within which a sound source generates a sustained or repetitious sound level of 45 decibels, but excluding sounds which occur for only a short period of time at the startup of equipment.

d. "Central Facility" means a facility for the processing, disposal, injection, compression, filtration, dehydration and storage of production from one or more Wellsite Locations.

e. "CERCLA" is the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time (42 U.S.C. §9601 *et seq.*).

f. "Environmental Laws" includes any applicable local, state or federal law relating to environmental protection including, without limitation, the following: Clean Air Act, 42 U.S.C. §7401 *et seq.*; Federal Water Pollution Control Act, 33 U.S.C. §1251 *et seq.*; Solid Waste Disposal Act, 42 U.S.C. §6901 *et seq.*; Comprehensive Environmental Response, Compensation and Liability act, 42 U.S.C. §9601 *et seq.*; National Environmental Policy Act, 42 U.S.C. §4321 *et seq.*; regulations of the Environmental Protection Agency; and any applicable rule of common law and any judicial interpretation thereof relating primarily to the environment or Hazardous Substances.

g. "Existing Road or Roads" are the roads in existence at the time of this Agreement.

h. "Habitable Structures" are those structures identified in Exhibit C to this Agreement and the additional structure described in Section 4.b of this Agreement.

i. "Hazardous Substance" means any substance other than those generated from coal mining activity conducted at any time or any other mining activity conducted prior to Producer's ownership of the surface of the Land which substance is now or becomes regulated or governed by any Environmental Laws, or the presence of which requires investigation under any Environmental Laws, or any flammable, explosive, corrosive, reactive, carcinogenic, or radioactive material, and any other substance or material defined or designated as a hazardous or toxic substance, material, or waste by any Environmental Law, including without limitation:

(i) Those substances included within the definitions of "hazardous substances," hazardous materials," "toxic substances," or "solid waste" in CERCLA, RCRA, and the Hazardous Materials Transportation Act, 43 U.S.C. Sections 1801 *et seq.* and in the regulations promulgated pursuant to said laws;

(ii) Those substances listed in the United States Department of Transportation Table (49 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto);

(iii) Any material, waste, or substance that is or contains (A) petroleum hydrocarbons, (B) asbestos, (C) polychlorinated biphenyls, (D) heavy metals, mine tailings, or mining waste, or (E) designated as a "hazardous substance" pursuant to Section 311 of the Clean

Water Act, 33 U.S.C. Section 1251 et seq. (33 U.S.C. §1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. §1317);

(iv) Toxic substances, as defined in the Toxic Substances Control Act of 1976, or in any other applicable Environmental Laws;

(v) Insecticides, fungicides, or rodenticides, as defined in the Federal Insecticide, Fungicide, and Rodenticide Act of 1975, or in any other applicable Environmental Laws;

(vi) Any other hazardous waste, hazardous substance, hazardous material, toxic substance or toxic pollutant, as those terms are used or defined in the Hazardous Materials Transportation Act, the Clean Air Act, or the Clean Water Act, as each such Act, statute, or regulation may be amended from time to time.

j. "Hydrocarbon Operations" means all operations relating to the exploration, appraisal, development, extraction, production, stabilization, compression, normal field processing, stimulation, injection, gathering, handling, lifting, transportation and marketing of the Reserved Minerals from, disposal of substances produced from, and abandonment of such operations with respect to, the Land. Hydrocarbon Operations shall not include refining, processing (other than normal field processing), storage or other operations not normally undertaken in the field near a group of wells.

k. "Improvements" are improvements, buildings, structures, roads, fences, barns, corrals, outbuildings, cabins, windmills, wells, pipes, cattle guards, bridges, and fixtures, of every nature and description whatsoever erected, affixed, or which belong to or are used in connection with the Land.

l. "Indenture Agreement" is the Amended and Restated Indenture Agreement dated January 31, 1989, among Vermejo Park Corporation, Vermejo Minerals Corporation, The Pittsburgh & Midway Coal Mining Co. and Chevron U.S.A. Inc.

m. "Land" shall mean the real estate located in Colfax and Taos Counties, New Mexico, and Costilla and Las Animas Counties, Colorado, described in Exhibit A hereto save and except all Reserved Minerals in, under and that may be produced therefrom.

n. "Mineral Land" shall mean the mineral estate in, under and that may be produced from the land described in Exhibit B hereto save and except all Reserved Minerals in, under and that may be produced therefrom.

o. "Oil and Gas Facility or Facilities" are all of Producer's oil and gas production wells, disposal or injection wells, whether operating or abandoned, Well Site Locations, Central Facilities, Pipelines, utility lines, Existing Roads, Proposed Roads, and other improvements or equipment used in connection with Hydrocarbon Operations.

p. "Owner" is Vermejo Park, L.L.C., a Georgia limited liability company, and its successors and assigns.

q. "Pipeline" or "Pipelines" include flowlines, gathering lines, injection lines, transmission lines and disposal lines necessary for the production, disposal, marketing and transporting of oil, gas, associated hydrocarbons, water, and associated inert gases produced as a result of Hydrocarbon Operations.

r. "Producer" includes Vermejo Park Corporation, Vermejo Minerals Corporation and Pennzoil Company, and any one of them and each of their successors and assigns.

s. "Proposed Roads" are roads other than Existing Roads which Producer will use as access to its Oil and Gas Facilities, Wellsite Locations, Central Facilities and Pipelines.

t. "RCRA" is the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Sections 6901 et seq, as amended.

u. "Reserved Minerals" shall mean all oil, gas (including but not limited to coal seam and/or coalbed gas) and/or other liquid or gaseous hydrocarbons, and all substances produced in association therewith. Any water produced with the Reserved Minerals shall be subject to the terms of Section 11 of this Agreement.

v. "Riparian Area" is any part of the Land that is a perennial or ephemeral stream, pond, reservoir, or wetland as that term is defined by the United States Fish and Wildlife Service using the "Cowardin" definition of wetland, or that is within 100 yards thereof.

w. "Royalty" is defined in Section 15.

x. "Sensitive Areas" are the geographical areas identified in Exhibit D.

y. "Wellsite Location or Locations" means that area surrounding a proposed or existing production well or wells and accessory structures and equipment necessary for drilling, completion, recompletion, workover, development, production or disposal activities for the Reserved Minerals and is used in this Agreement to refer to the area and structures and equipment for all of the following:

(i) "Known Existing Wellsite Location or Locations" are those locations identified in Exhibit E;

(ii) "Future Wellsite Location or Locations" are those locations, including Known Existing Wellsite Locations, which Producer may develop in accordance with the provisions of Section 4.b. of this Agreement.

2. Acknowledgment of Reliance. Producer understands and acknowledges that Owner intends to use and develop the Land for cattle or bison ranching, raising crops, commercial hunting and fishing, and recreational operations. Owner understands and acknowledges that Producer intends to explore for and develop the Reserved Minerals. Each party understands and acknowledges that any operation or activity that it conducts on the Land which interferes or might interfere with any use or proposed use of the Land by the other party could result in substantial damage to the other party.

3. Covenant of Nondisturbance. The Sensitive Areas are areas of special sensitivity, so that Producer shall in no event have the right to use or occupy the surface of the land constituting the Sensitive Areas for any purpose whatsoever, save and except for:

a. Producer shall have the right to construct and use one road, Pipelines, communication lines and electric transmission lines located in one corridor approximately 75 feet wide across the Sensitive Area to connect Hydrocarbon Operations on that portion of the Land north of the Sensitive Area with Hydrocarbon Operations on that portion of the Land south of the Sensitive Area. Owner shall select the location of such corridor, giving due consideration to the needs of Producer. The Pipeline, communication lines and electric transmission lines shall be buried at Producer's cost throughout the Sensitive Area.

b. Producer shall have the right of reasonable access to that portion of the Sensitive Areas located in "the boot" (which is an area of approximately 20 miles (east-west) by 6 miles (north-south) located east of the Town of Cimarron, New Mexico) for Pipelines, power lines and communication lines (but not wells) for Hydrocarbon Operations on other parts of the Land and at the pipe yard and office described in Section 6.g of this Agreement.

c. If agreeable to both parties, Producer may use existing electric transmission lines to cross the Sensitive Area, rather than constructing new lines.

Producer shall not use or occupy any other portion of the Land except as expressly set forth herein. Owner and Producer acknowledge that Producer will need to occupy and make use of acreage in order to explore for, develop, and remove the Reserved Minerals from the Land. Owner shall cooperate in good faith with Producer in allowing Producer to use such acreage in accordance with this Agreement.

4. Location and Operation of Oil and Gas Facilities.

a. After due inquiry, Producer represents and warrants that to Producer's knowledge all existing Oil and Gas Facilities are identified in Exhibit E.

b. All Oil and Gas Facilities shall be located and operated in a manner which shall not have a material adverse impact on Owner's use and enjoyment of the Land, which use and enjoyment shall include but not be limited to reasonable ecological considerations. Except as otherwise provided in this Agreement, and subject to the limitation in Section 4.e below, Future Wellsite Locations shall be limited to one for every quarter section or projected quarter section (approximately 160 acres), and unless otherwise agreed, Central Facilities shall be limited to one Central Facility for each 10 Future Wellsite Locations, excluding Abandoned Wellsites, unless otherwise agreed. The location of each Future Wellsite Location and Central Facility shall be mutually agreed upon by Producer and Owner; provided, however, that in no event shall Hydrocarbon Operations or Oil and Gas Facilities be allowed on the surface of any portion of the land within the Sensitive Areas or, with two exceptions described in the following sentence, within Audible Range (but no closer than one mile) during normal production or processing operations, currently existing Habitable Structures described in Exhibit C, or one new Habitable Structure not now existing whose location shall be identified by Owner prior to construction of the structure, provided that Hydrocarbon Operations or Oil and Gas Facilities existing at the time the location of the new Habitable Structure is identified shall not have to be terminated or moved. Notwithstanding the limitations contained in the preceding sentence, Hydrocarbon Operations may be conducted within 100 feet of the boundaries of the Sensitive Areas known as Mary's Lake and Castle Rock so long as such Hydrocarbon Activities are not within Audible Range of such Sensitive Areas during normal production or processing operations, and, further, Producer may use the Existing Roads through the Sensitive Areas known as Mary's Lake and Castle Rock during daylight hours, but Producer's use of such existing roads at night (9:00 p.m. to 6:00 a.m.) shall be limited to individual vehicles carrying well work crews during a maximum of two crew shift changes per night and for emergency use. With the exception of the Vermejo Leandro Creek #1 well, Producer's use of the Vermejo River road between the Little Wall and Gonzalez Canyon, and permitted uses within the corridor provided for in Section 3.a of this Agreement, no Hydrocarbon Operations shall be conducted within 2,000 feet of that portion of the Vermejo River between the Little Wall and Gonzalez Canyon. If Producer actually begins using the Vermejo River road for Hydrocarbon Operations, and Owner desires to relocate that portion of the Vermejo River road between the Little Wall and Gonzalez Canyon to a location which minimizes the road's impact on Owner's enjoyment of the Vermejo River but is still usable for Producer's Hydrocarbon Operations, then Producer and Owner shall share expenses of such road relocation equally. With respect to other roads, Owner shall have the right, but not the obligation, to build alternate roads at Owner's cost to reduce adverse impacts on Owner's use and enjoyment of the Land, provided such

alternative roads do not materially, adversely affect Producer's access to its Hydrocarbon Operations. In no event, however, shall any Hydrocarbon Operations or Oil and Gas Facilities be heard from Casa Grande at any time. Oil and Gas Facilities may be located in Riparian Areas outside Sensitive Areas if no reasonable alternative is available, but in such event shall be located to minimize any material adverse impact on the ecology of the Riparian Areas. Owner may require Producer to make reasonable efforts to conceal Oil and Gas Facilities from Owner's designated viewing angles by planting native plants around Oil and Gas Facilities. Native plants may be obtained from the Land after obtaining Owner's prior written approval as to the quantity, type and location of plants to be obtained. Exceptions to these restrictions may be granted by Owner in its discretion, which shall not be unreasonably withheld.

c. Each Central Facility shall not exceed four acres in size, unless a larger area is agreed to by Owner. Each Future Wellsite Location shall be approximately two acres to be reduced to approximately one-half acre at the time and in the event that the well is completed unless a larger area is required by law or necessitated by the drilling, completion or production of an additional well or wells at a Future Wellsite Location; provided, however, that in the event Producer needs to conduct well work, Producer shall have the right to use as much of the original drill site location as is necessary under the circumstances.

d. Where reasonable and practical for Hydrocarbon Operations, Producer shall consider drilling multiple holes to different formations from a Wellsite Location in order to minimize surface disturbance. Nothing in this Agreement, however, shall prohibit Producer from completing multiple formations in a single well bore.

e. Excluding injection wells, Producer may at any one time have no more than 600 operating wells and 500 operating Wellsite Locations on the Land, and no more than 1,750 Wellsite Locations and 2,750 wells, whether operating or not. Wells and Wellsite Locations which have been plugged, abandoned and restored shall not count towards the 600 operating well or the 500 operating Wellsite Location limits.

f. This Agreement constitutes an agreement for purposes of New Mexico Statute §70-3A-3 concerning gathering lines and disposal lines. Neither party shall be entitled to use the offer and counterproposal procedure contained in such statute until the parties have fully complied with the arbitration remedy contained in Section 22 of this Agreement.

5. Notice Requirements and Information Submissions.

a. Prior to October 1 of each year after the date of this Agreement, Producer shall furnish to Owner an Annual General Development Plan for the Reserved Minerals. Furnishing of the Development Plan for 1997, however, shall be provided no later than December 31, 1996. Each Development Plan shall have sufficient detail to allow Owner to reasonably evaluate the effect of the proposed activities on the Land and Producer's compliance with this Agreement. Owner shall have 45 days after it receives a Development Plan to provide Producer with comments on the Development Plan and to request in writing that reasonable changes be made to the Development Plan. Producer shall make the changes Owner requests, provided that the change or changes do not have a material adverse operational or economic effect on the operations that Producer proposes in the Development Plan and provided that Owner agrees to pay 100% of those additional costs exceeding 10% of Producer's cost estimate for the work as described in the Development Plan and attributable to the requested change or changes.

b. Producer shall notify Owner of the staking of each Oil and Gas Facility one week prior to staking. After staking each location, Producer shall provide a survey of the staked location (including the access route) to Owner at least 45 days prior to commencement of site preparation. Such notice shall include a drilling plan or construction plan, as applicable, a diagram and map of the Oil and Gas Facility, related Pipelines, utility lines and access roads, an estimate of

costs, a schedule of activity and all information that Producer is required to provide to Owner pursuant to Exhibit F. Producer shall promptly provide supplemental notices to Owner in the event any of the information provided becomes materially inaccurate or materially incomplete. Within 30 days after receiving notice, Owner may notify Producer that archaeological or environmental data or assessments are needed. As part of this notification Owner will provide Producer with supporting documentation from a qualified source to justify the need for the additional data. If such notice is given, such data shall be obtained before site preparation is commenced, with the parties sharing equally in the cost of obtaining the data. Upon receiving notice that additional data or assessments are needed, Producer may, in the alternative, propose a substitute location, and the process described in this Section 5.b. shall be repeated for the substitute location, beginning with the notice of staking. Owner will use reasonable efforts to notify Producer of the acceptability of the proposed site as soon as possible. Owner may disapprove any such location based upon information in a survey or assessment or based upon archeological or environmental data and the opinion of Owner, in good faith, of material adverse impact, and Producer shall not drill or construct an Oil and Gas Facility at that location. Notwithstanding the provisions of this Section 5, Owner shall have the right, within reason from the viewpoint of Hydrocarbon Operations, to move the location of any Central Facility to a location within one square mile of the location originally chosen by Producer for such Central Facility. Owner's failure to object to the proposed location within 30 days after receipt of the survey and assessment or data shall be deemed approval of the location. If Owner disapproves the location, the parties shall agree upon a mutually acceptable alternate location.

c. Producer shall at all times give Owner notice of operations sufficient to inform Owner of the location and timing of all seismic activity, drilling, road or location construction, workovers, utility and pipeline construction, and other operations beyond the normal day-to-day production and maintenance activities. Upon the reasonable request of Owner, Producer shall provide Owner with a detailed schedule of activities for the following 30-day period.

d. Producer shall give notice to Owner prior to entering the corridor in the Sensitive Area described above in Section 3.a of this Agreement.

e. Producer shall furnish Owner at no cost to Owner one copy of all as-built surveys, drilling records, logs and drilling and completion reports for any existing Oil and Gas Facility within 30 days after receipt or such longer period of time as shall be reasonably required. For the maximum amount of time provided by law, Owner shall keep confidential all information received from Producer.

f. At Owner's reasonable request and subject to any licensing limitations, Producer shall allow Owner access to and cooperate in allowing Owner to use Producer's computer simulation models.

g. All notices or information given or received by either party under the Indenture Agreement shall be promptly delivered to the other party, unless the party obligated to deliver such notice or information is informed by the other party that such other party has already received the notice or information.

6. Restrictions and Limitations on Producer's Activities.

The restrictions and limitations in this Section as well as the Conditions and Procedures attached as Exhibit F shall apply to all of Producer's activities and operations on the Land.

a. During the months of September through December, Producer shall conduct no Hydrocarbon Operations on the Land except: (i) normal production and maintenance operations; (ii) emergency activities; (iii) completion of scheduled drilling, completion or

construction activities which were reasonably anticipated to be completed prior to September but were unavoidably delayed during the course of diligent operations, provided that in any event such activities are completed prior to September 7 of that year; and (iv) other operations to which the Owner consents, which consent shall not be unreasonably withheld. Consistent with this Agreement's intent to allow development of the Reserved Minerals, Producer shall use its best efforts to minimize interference with fishing and hunting activities.

b. Producer shall not allow or permit any form of recreation on the Land, including but not limited to camping, hunting or fishing, or taking any firearms, alcoholic beverages or illegal drugs thereon. Producer shall not allow any pets or domestic animals on the Land at any time.

c. Producer's activities on the Land shall be limited strictly to the conduct of Hydrocarbon Operations in accordance with this Agreement. Except for emergencies and as required to conduct drilling and completion operations, or other operations requiring work on a 24 hour per day basis, neither Producer nor its agents, lessees, successors, employees, invitees, licensees, and contractors shall stay on the Land overnight. Such persons may also remain on the Land overnight in other isolated, unanticipated events where necessary for Hydrocarbon Operations, but in such event shall not use roads at night within one mile of Habitable Structures other than the unavoidable use of the roads located in the Sensitive Areas known as Mary's Lake and Castle Rock. All operations requiring work on a 24 hour per day basis shall be identified in the Annual General Development Plan and the 45-day notice required in Sections 5.a and 5.b of this Agreement and coordinated with Owner's scheduled use of the Land. Owner shall notify Producer of any conflicts as soon as possible after receiving notice of the 24 hour per day operations. Exceptions to these limits on overnight occupancy may be granted at the discretion of Owner and shall not be unreasonably withheld.

d. Producer shall use reasonable care not to injure or unnecessarily disturb cattle, bison, other livestock or wildlife located on the Land.

e. Producer shall not injure any persons and shall use reasonable care not to injure or damage any personal property or Improvements on the Land.

f. Producer shall use reasonable care to diligently protect the Land and crops, grasslands and timber from unnecessary injury and to prevent fires on the Land.

g. Producer shall use only so much of the surface of the Land (other than the Sensitive Areas) as is reasonably necessary to conduct its operations under this Agreement; provided, however, that in no event shall Producer use any portion of the Land for offices, townsites or housing, except for standard "doghouses" at Future Wellsite Locations during drilling and completion operations and at Central Facilities. Notwithstanding the foregoing and other provisions hereof, Producer may use and occupy a 60 acre tract of the Land for its office and pipeyard near the town of Cimarron, New Mexico, for the storage of materials used or useful in connection with its Hydrocarbon Operations for the term of this Agreement, provided that Owner shall choose which 60 acre tract of land Producer may use and occupy for such purposes in close proximity to Highway 64.

h. Producer shall install equipment and otherwise comply with the reasonable requests of Owner for noise and visual impact mitigation with respect to Producer's operations to the extent necessary or advisable to fulfill the purpose and intent of this Agreement. If requested by Owner, Producer shall install housing around the drilling rig engines, mud pumps or compressors within one-half mile of various Sensitive Areas, provided Owner and Producer shall each pay 50% of the first \$5,000 of the cost of each such housing.

i. Producer shall take reasonable care to preserve and protect water supplies and quality and the air quality regarding the Land.

j. Producer shall use its best efforts to minimize access to the Land by its agents, lessees, employees, invitees, licensees and contractors, and to assist in preventing access to the Land by all other parties. When the number of operating wells on the Land does not exceed 250, no more than 175 of Producer's agents, lessees, successors, employees, invitees, licensees, and contractors shall be on the Land at any one time during temporary drilling, completion and construction operations, and no more than 30 shall be on the Land during any other time. When the number of operating wells on the Land exceeds 250, then these numbers shall increase to 200 and 50, respectively. All of Producer's employees shall be required to carry identification showing they are employed by Producer at all times during their presence on the Land. For purposes of this Section 6.j, the term "Land" shall not include the 60 acre tract described in Section 6.g above.

k. Producer shall not leave or store any junk or surplus equipment on the Land, unless agreed to by Owner as a temporary convenience to Producer.

l. At its own cost, Producer shall bury all power lines except for the main electric transmission lines ("METLs"), Pipelines and communication lines (except when installed on the surface electric line system), except for those lines for which Owner has given its prior written consent for installation on the surface. Owner shall have the option at any time to require that all or part of the METLs be installed underground, provided that Owner shall be obligated to pay the net incremental cost of burying the METLs as well as any other cost or expense associated with or incidental to the difference in burial versus above ground installation. Provided, however, if the total of Producer's above ground installed METLs at any one time exceeds 50 miles in the Initial Development Area (described in Exhibit G to this Agreement) or 125 miles anywhere on the Land, then as to such miles proposed for installation in excess thereof at the particular time, Producer shall, at Owner's option, bury such excess lines and Owner shall pay Producer 1/2 of such net incremental costs. Any additional miles constructed as a result of Producer's accommodation of Owner's reasonable request to re-route an METLs from the route originally proposed by Producer (so long as Producer pays for the additional lines), used by Owner, or left in place for Owner's use, shall not be included for purposes of calculating said mileage limit. The METLs is defined as the primary electric transmission line having a capacity of at least 12,000 volts and providing power to the Hydrocarbon Operations. Producer shall locate power lines, Pipelines and communication lines so as to minimize their visual impact and avoid the cutting of timber; these facilities shall be located adjacent to Producer's access roads to the extent such location would be consistent with these objectives.

m. Owner shall have the option of requiring Producer to use alternative energy sources, such as solar power or produced gas, on all or any part of the Hydrocarbon Operations, provided that the alternative energy source is, for practical purposes, as reliable as the energy source it replaces, and further provided that Owner shall be obligated to pay the net incremental cost, if any, of converting to and using such alternative energy source, including the value of Producer's lost revenue if Owner's requirements make Producer's operations less economic. If Owner's requirements in this Section 6.m increases the number of persons required to be on the Land for Hydrocarbon Operations, then the provisions of Section 6.j shall be amended accordingly.

7. Water Resources. With respect to surface or groundwater resource in or under lands outside the Sensitive Areas, if Owner establishes that a portion of the Hydrocarbon Operations is having any material adverse effect on any stream, spring, well or other surface or groundwater resources in or under the such land, then upon the request of Owner, Producer shall take all reasonable steps necessary to mitigate the adverse effect. With respect to surface or groundwater resources in or under the Sensitive Areas, if Owner establishes that a portion of the Hydrocarbon Operations is having any material adverse effect on any stream, spring, well or other surface or groundwater resource in or under the Sensitive Areas, then Producer shall take all steps necessary to mitigate the adverse effect.

8. Access.

a. Producer shall have access to all Existing Wellsite Locations and Future Wellsite Locations as necessary for Hydrocarbon Operations. Producer shall minimize its use of the Land for Hydrocarbon Operations, including without limitation access roads, power lines, communication lines and Pipelines. Where practical for Hydrocarbon Operations, Producer shall locate such facilities outside the Land. Without Owner's prior written consent (not to be unreasonably withheld) Producer shall not locate such facilities on the Land if the primary purpose of such facilities is to service or support activities outside the Land.

b. Producer shall repair all damage to roads resulting from Hydrocarbon Operations. Producer shall repair and maintain any roads for which it is the primary or major user at its sole expense. During the time Producer is conducting operations, Producer will be the primary user of the road up Van Bremmer Canyon as to that portion of the Van Bremmer road Producer is using and of portions of roads used by Producer in the area where Producer is developing the Reserved Minerals. Owner shall be considered the primary user of roads in the Sensitive Area, with the possible exception of the road in the corridor described in Section 3. If a party wishes to improve any road, it may do so at its sole risk and expense; provided, however, Producer shall first obtain the consent of Owner for any road improvement it initiates, which consent shall not be unreasonably withheld, and provided further, that Producer shall allow reasonably continuous access to Owner during the time that the road is being improved.

c. Producer shall use Existing Roads as access wherever possible, the intent of the parties being to minimize the construction of new roads; provided, however, if the parties designate a Proposed Road as access by Producer, Producer shall install and maintain the Proposed Road at its sole expense at a grade and quality consistent with existing roads in the area. The surface of the Proposed Roads shall be no wider than 24 feet unless Owner agrees otherwise at the time of installation.

d. Upon the reasonable request of Owner, Producer shall install and maintain such gates and cattle (bison) guards on or at entry points to Proposed Roads as Owner in its sole discretion determines are necessary. Owner may require that all or any gates that Producer installs be locked and, in such case, Producer shall provide Owner with keys to the gates.

e. Producer shall not deviate from Existing Roads and Proposed Roads; provided, however, that in the event of any such deviation by Producer, Producer shall promptly repair damage, if any, at its expense.

f. Producer shall adhere to reasonable speed limits established from time to time by Owner and the applicable county and state governments.

g. Neither party shall unreasonably interfere with the permitted use of an Existing Road or Proposed Road by the other party.

h. Owner may in its discretion relocate or require Producer to relocate any road used by Producer on the Land, at Owner's expense.

i. Producer shall give Owner 30 days' advance written notice at the time Producer intends to terminate its use of an access road built by Producer. Owner shall notify Producer within 30 days after it receives such notice whether Owner wants Producer either to leave the road in good condition or to restore the surface as hereinafter provided. If Owner wishes to have Producer restore the land, Producer shall remove the road and restore the land to as near its original grade and state as is possible under the circumstances or to such other standard as Owner may reasonably require, provided that, if the cost of such other standard exceeds 110% of the cost

of restoration Producer is otherwise obligated to complete under this subsection, then Owner shall pay that portion of the cost in excess of 110% of the original restoration cost. Such restoration shall be completed promptly, giving due regard to weather considerations and other factors affecting reclamation. If Owner wishes to have Producer abandon the road without surface restoration, Producer shall abandon the road in good condition and repair.

9. Reclamation and Restoration. Producer shall comply with all applicable statutes, rules, regulations and ordinances of all federal, state and local governments, agencies and authorities, including but not limited to, the Colorado Oil and Gas Conservation Commission and the New Mexico Oil and Gas Conservation Division on the Land and further agrees as follows:

a. Producer shall remove all drilling mud from Wellsite Locations at its expense upon completion of drilling. Drilling mud may be stored on Wellsite Locations for short periods of time, not to exceed 45 days, while other locations are being constructed for drilling mud transfer.

b. Producer shall restore the Well Site Locations and other Oil and Gas Facilities to as close to their original state as is reasonably possible under the circumstances unless otherwise agreed to by Owner upon completion of drilling (as to those lands not necessary for production operations) and upon the abandonment of each well or Oil and Gas Facility. Producer shall not be required to remove buried pipelines, electric lines or communication lines unless removal is necessary to avoid a safety hazard or significant environmental harm.

c. In addition to the requirements in Section 9.b, Producer shall reseed with native grass seed mix or reforest with seedlings, as Owner directs, all areas including areas affected by the construction or operation of Oil and Gas Facilities (insofar only as such area is not being used following well drilling and completion activities or construction activities) or the abandonment or replacement of Oil and Gas Facilities as soon as is practicable and shall subsequently reseed or reforest such areas if Owner reasonably requires and directs in order to get a satisfactory native grass or tree covering. Seedlings may be obtained from the Land provided Owner gives its prior written consent as to quantity, type and location of the seedlings to be obtained.

10. Additional Reclamation Bonds. Any successor to all or part of Producer's right, title or interest in the Reserved Minerals shall acquire the following bonds:

a. Prior to acquiring any such right, title or interest, any successor to Producer shall purchase a reclamation bond with a face value equal to the amount necessary to reclaim each mile of Proposed Road plus each mile of Pipeline or utility line route, which bond shall not exceed \$2,500 per mile of road, \$500 per mile of Pipeline and utility line, adjusted on an annual basis per the average producer price index for the previous year. The bond shall not be released until all Proposed Roads, Pipeline and utility line routes on the Land are restored to Owner's reasonable satisfaction.

b. At least 30 days prior to commencement of site preparation for each Future Wellsite Location, Production Site, Pipeline, Proposed Road or other Oil and Gas Facility on the Land, any successor to Producer shall submit to Owner a good faith estimate of the cost to restore the proposed location for such Oil and Gas Facilities as required by applicable government regulations and this Agreement. Producer shall deposit with Owner, at least 14 days prior to drilling, cash or bond in an amount equal to 125% of the cost estimate, which cash or bond shall be in addition to any bond required by any government agency, shall be adjusted each time an Oil and Gas Facility is installed or removed, and shall not be released until the land disturbed by the related Hydrocarbon Operation is restored to Owner's reasonable satisfaction.

c. The bonds described in Sections 10.a. and b. shall be in addition to any bonds required by any government agency.

So long as Producer's net worth, as shown on Producer's annual audited financial statement, exceeds \$70,000,000, Producer may self-bond (or self-insure) its actions and the actions of its subcontractors on the Land. In the event Producer does not self-bond or self-insure its actions, it shall comply with the provisions of this Section 10. This right to self-bond or self-insure is personal to Producer and shall not be assignable to any successor or other party.

11. Water Rights and Permits: Disposal of Wastewater.

a. Producer shall promptly give Owner written notice at any time that it has knowledge that it has intercepted a formation or zone containing potable water in a drill hole. No notice shall be required for zones from which Reserved Minerals are produced. Producer shall also provide Owner with 30 days' prior written notice when it intends to abandon a drill hole, and Owner may elect to convert the drill hole for its use. Owner shall have 30 days from receipt of such abandonment notice to elect whether to convert the well. Failure to notify Producer shall be deemed an election not to convert the well. Producer shall reasonably cooperate with Owner to convert the drill hole to a water well in accordance with the law; provided that any additional cost and risk to convert such well to a water well shall be borne by Owner. Producer shall plug and abandon all wells noticed for abandonment which Owner does not elect to convert in accordance with all applicable laws, and Producer shall properly cap the well casing to prevent threat of injury to persons or property and to prevent contamination. Water rights or rights to develop water shall be initiated and held in the name of Owner at Owner's election. To this end, Producer shall, at Owner's request, leave in the hole any casing that Producer has installed. Producer shall be solely responsible for plugging or sealing off the oil or gas producing zones and for plugging and sealing the wellbore within 200 feet of the zone from which Owner proposes to obtain water. Owner shall be solely responsible for the plugging of the other zones and for the abandonment and reclamation of any well it takes over. Owner shall release Producer from any further obligations with respect to Owner's actions in operating, plugging, abandoning and reclaiming such wells.

b. Producer shall obtain and maintain all necessary permits for proper disposal of water produced during drilling or production of Reserved Minerals. Producer also shall be responsible for the proper disposal of all produced water, which may be reinjected so long as reinjection does not adversely affect surface or groundwater. Owner shall have the option to use or acquire at no cost all or any part of the produced water not used by Producer for Hydrocarbon Operations at a Wellsite Location or Central Facility; provided, however, if Producer receives a bona fide third-party offer to purchase any portion of the produced water and use it on or off the Land, then Owner shall not be entitled to receive such portion of the produced water at no cost to Owner, but instead shall have the preferential right to acquire such water, on a well-by-well basis, upon payment of the lesser of the purchase price offered to Producer for such water or one-half of Producer's cost of lifting such produced water.

c. Producer shall provide Owner with all data and information it generates, commissions or receives in any way related to water that Producer produces in its operations hereunder and, if requested by Owner, Producer shall cooperate with Owner in filings for Owner to apply for appropriation of such water and water rights insofar as such water is produced from wells abandoned by Producer and assumed by Owner.

d. Producer shall have the right to use surface or ground water from the Land necessary for the start up of drilling and completion operations and only for that purpose. However, Producer may use the water it produces for Hydrocarbon Operations of any type. Producer shall notify Owner of the location from which it takes surface or ground water, the amount to be taken, and when the water will be taken. In no event shall Producer have the right to use any produced water, other ground water or surface water from any part of the Land if Owner

establishes that such use causes a material adverse effect on any stream, spring, well or other surface or ground water resources in or under the Land, unless Producer takes reasonable steps necessary to fully mitigate the adverse effect.

12. Insurance. Any successor to all or part of Producer's right, title or interest in the Reserved Minerals shall secure and maintain the following insurance coverages with limits not less than the amounts specified and with companies satisfactory to Owner, and shall furnish certificates of such insurance satisfactory to Owner at the time it succeeds to Producer's interest.

a. Worker's Compensation and Employer's Liability Insurance with limits of not less than \$100,000 per accident, which shall fully comply with the statutory requirements of state laws and federal laws, if applicable.

b. Broad form general liability insurance INCLUDING CONTRACTUAL LIABILITY, with minimum limits of liability for injury, death, or property damage of \$5,000,000 combined single limit per occurrence and \$20,000,000 for multiple occurrences.

c. Automobile Liability Insurance covering owned, hired, and non-owned vehicles used by such successor, with minimum limits of liability for injury, death, or property damage of \$1,000,000 combined single limit per occurrence.

Owner may at any time upon prior written notice require or allow such successor to increase or decrease the limits set forth to such amounts as inflation, industry practice or other factors indicate are reasonable. The foregoing insurance requirements shall apply whether or not required by any other provision of this Agreement and the limits of coverage do not alter the indemnities and allocation of responsibilities in this Agreement. All of such insurance policies shall contain a waiver on the part of the insurer, by subrogation or otherwise, of all rights against Owner. The certificates of insurance that such successor provides to Owner shall reflect the amount of any deductible(s). The successor's policies shall be primary to and shall receive no contribution from any insurance policies maintained by Owner. All policies shall provide that they may not be canceled without at least 10 days prior written notice to Owner.

So long as producer's net worth, as shown on Producer's annual audited financial statement, exceeds \$70,000,000, Producer shall self-insure its actions on the Land. In the event Producer does not self-insure its actions, it shall comply with the provisions of this Section 12.

To the extent Producer has insurance policies covering Hydrocarbon Operations on the Land, Producer shall cause Owner to be named as an additional insured on all such policies.

13. Taxes. Producer shall promptly pay to the State of New Mexico or the State of Colorado, as appropriate, all severance, ad valorem, real and personal property taxes and any other taxes due on production from the Land and Mineral Land or assessed as a result of the Reserved Minerals, Producer's assets or activities. Producer shall be solely responsible for payment of all such taxes (unless Producer is contesting such taxes in good faith) and shall provide Owner with all tax receipts on taxes paid within 90 days of the date such taxes are due.

14. Rights Under Indenture Agreement. Owner shall have all rights under or pursuant to the Indenture Agreement except for those rights granted under Article VI of the Indenture Agreement. Producer shall have those rights granted under Article VI of the Indenture Agreement, subject to the terms and conditions of this Agreement. Copies of all notices and other communications submitted or received pursuant to the Indenture Agreement shall be delivered in accordance with Section 5.g. of this Agreement.

15. Royalty Assignment. As partial consideration for the covenants and agreements contained in this Agreement and in the Agreement for Purchase and Sale between the parties

executed contemporaneously with this Agreement, Producer shall grant, sell, convey, assign and deliver unto Owner an undivided 2% of 8/8ths perpetual nonparticipating royalty interest (the "Royalty") in and to all Reserved Minerals produced, saved and sold from the Lands, the Mineral Land, or from lands pooled or unitized therewith, or used off said lands (the "Royalty Lands"), unless used to benefit the Royalty Lands.

The value of the Royalty shall be equal to 2% of all consideration received at the point of sale for the Reserved Minerals in an arm's-length sale to an unaffiliated party, free of all costs and expenses except ad valorem, severance or other tax based upon production. Producer covenants that the consideration received at the point of sale shall not be less than the market value of the Reserved Minerals, produced, saved and sold, and Producer shall market such production on terms no less favorable than it markets its own production.

From time to time, Owner shall have the right, but not the obligation, to take all or any portion of its share of production as royalty in kind at any location on the Land. Payments attributable to the royalty shall be paid to Owner in accordance with the New Mexico Proceeds Act or the Colorado equivalent, whichever is applicable.

16. Compliance with Rules and Regulations. Producer shall at its expense fully comply in all material respects with all applicable laws, regulations, rules, ordinances and requirements of the city, county, state and federal authorities and agencies having jurisdiction, including but not limited to, the New Mexico Oil and Gas Conservation Division and the Colorado Oil and Gas Conservation Commission. Producer shall at its expense fully comply with all environmental laws, rules, regulations and ordinances with respect to its operations on the Land.

17. Indemnifications.

a. Subsequent to the date of this Agreement, Producer shall defend, indemnify and hold Owner harmless from and against any and all liability, loss, damages, claims, demands, costs and expenses of whatsoever kind and nature, including court costs and reasonable attorneys' fees and expert witness fees, to the extent incurred in connection with, related to, or arising from, in whole or in part, any act or omission of Producer under this Agreement, including but not limited to, any act or omission of Producer in the exploration, development, mining, operation or reclamation of the Land, the Mineral Land or the Reserved Minerals and Producer's performance of or failure to perform any of the terms and conditions of this Agreement.

b. Subsequent to the date of this Agreement, Owner shall defend, indemnify and hold Producer harmless from and against any and all liability, loss, damages, claims, demands, costs and expenses of whatsoever kind and nature, including court costs and reasonable attorneys' fees and expert witness fees, to the extent incurred in connection with, related to, or arising from, in whole or in part, any act or omission of Owner under this Agreement and Owner's performance of or failure to perform any of the terms and conditions of this Agreement.

c. Each party shall defend, indemnify and hold the other party harmless from and against any and all liability, loss, damages, claims, demands, costs and expenses of whatsoever kind and nature, including court costs and reasonable attorneys' fees and expert witness fees, to the extent incurred in connection with, related to, or arising from, in whole or in part, the following acts or omissions occurring subsequent to the date of this Agreement: (i) the violation of any current or future Environmental Law, (ii) for personal injury or death of any person, including, without limitation, exposure to any Hazardous Substance, or (iii) loss or destruction of or damage to any property whatsoever, including, without limitation, contamination from any Hazardous Substance, where such personal injury, death, loss, destruction or damage arises from or is in any way connected to the occupation or use of the Land or the Mineral Land subsequent to the date of this Agreement by the indemnifying party or its officers, agents,

subcontractors or employees or the presence of any of them on the Land or the Mineral Land subsequent to the date of this Agreement.

d. Notwithstanding the indemnifications in Sections 17 a. and b., the parties agree that the indemnified party has the right to participate in, initiate, or prosecute or defend any legal proceeding that the indemnified party deems necessary to defend, protect, preserve or enforce its rights in or avoid its liability relating to the Land or the Mineral Land. For purposes of this Section 17, "any act or omission" shall include any act or omission of the indemnifying party or anyone acting by, through or under the indemnifying party, including any agent, lessee, successor, employee, invitee, licensee or contractor of the indemnifying party or agent, employee, invitee or licensee of any independent contractor of the indemnifying party.

18. Purchase Option in Lieu of Continued Production.

a. Producer shall give written notice to Owner within 60 days after the production rate for any natural gas well on the Land decreases to less than five thousand cubic feet per day when averaged over the preceding 18 months or the production rate for any oil well decreases to less than one barrel per day when averaged over the preceding 18 months, and Owner shall have the option, but not the obligation, for a period of 60 days following receipt of notice to purchase all of the working interest in the well and all rights attributable to the well, limited to the stratigraphic equivalent of the base of the deepest formation penetrated in such well. A well shall not be subject to this option if Producer can establish that the well has additional Reserved Minerals "behind pipe" which can be produced in economic quantities and if produced would cause the well to produce at rates greater than the minimum rates stated in this Section 18.a.

b. Upon written request by Owner, Producer shall provide Owner with an offer for a proposed price to purchase the interest in the well. Owner and Producer shall attempt to agree upon a purchase price for the interest in the well during the 60-day period after Producer provides Owner with an offer price. If they are unable to agree within the 60-day period, each party shall select a petroleum engineer registered with the State of Colorado or the State of New Mexico, as applicable, to appraise the present value of the interest in the well, the cost of an appraisal to be borne by the party which selects the appraiser. The appraisers shall be selected within 30 days from the end of the 60-day period and within 90 days from the end of the 60-day period they shall determine the value of the interest in the well based upon the fair market value of equipment that Owner elects to acquire plus the present net value of any remaining producible reserves from the well attributable to the entire working interest, net of operating costs. If the two appraisers cannot agree upon a purchase price, they shall immediately appoint a third independent party to conduct an appraisal. If three appraisals are made, the parties shall be bound by the middle range appraisal and the high and low appraisals shall be disregarded. If any one of the two original appraisals varies by more than twenty percent from the value of the third appraisal, then the party whose appraiser made the appraisal with a variance of greater than twenty percent shall pay the full cost of the third appraisal. If neither or both of the two original appraisals varies by more than twenty percent from the value of the third appraisal, then Producer and Owner shall each pay one-half of the cost of the third appraisal. Owner may, but is not obligated to, purchase the interest in the well within 30 days from the date the purchase price is finally determined by giving Producer notice that it intends to purchase the interest. Owner shall also have the option and right to purchase the well at a later date by implementing the procedure in this Section 18; provided, however, Owner shall not have the right to purchase an interest in a well that has been the subject of an offer under this Section 18.b. until two years after Owner last requested an offer for the well. If Owner exercises its right to purchase the interest in a well, Owner shall pay Producer the purchase price for the well as determined in accordance herewith, and, upon receipt of full payment, Producer shall assign to Owner the well, together with the perpetual right to produce any and all of the Reserved Minerals producible from such well and the spacing unit (or implied spacing unit, based upon well location requirements) for such well, limited to the stratigraphic equivalent of the base of the deepest formation penetrated in such well. The assignment of

Reserved Minerals shall be by special warranty deed. The failure of Owner to purchase the Reserved Minerals in any tract at any one time in the future shall not preclude Owner from purchasing such Reserved Minerals at any time in the future, provided that such tract still qualifies for the option at the time Owner elects to exercise the option.

c. At Owner's option, Producer shall, within 90 days (or some other mutually agreeable time frame) after it receives payment in full of the purchase price, plug and abandon wells Owner purchases and elects not to (1) continue producing as an oil and gas well or (2) convert to a water well, Producer shall remove all surface equipment, fixtures and materials and all subsurface equipment and abandon the well and Wellsite Location and related Oil and Gas Facilities in full compliance with all applicable government regulations, and Owner shall pay that portion of the such removal and abandonment costs of such operation exceeding the present value of the estimate of such costs used in the determination of well value, less the salvage value of the surface and subsurface equipment, fixtures and materials.

19. Options to Purchase Undeveloped Reserved Minerals. First, Owner shall have the right and option to select and purchase the Reserved Minerals in any square mile of the Land in which lies an Abandoned Wellsite (with the Abandoned Wellsite at the center of the square) provided that there is no Wellsite Location which is not an abandoned Wellsite within two miles of the square mile containing the Abandoned Wellsite.

Second, Owner shall also have the right and option to purchase the Reserved Minerals located in any portion of the Land where the Reserved Minerals have not been used for a continuous period of 60 years after the date of this Agreement, only insofar as the Land is more than two miles from a one mile square centered around a Well Site Location (other than an Abandoned Wellsite). The Reserved Minerals shall be deemed to be used when:

- (1) Any Reserved Minerals are being produced at a Wellsite Location;
- (2) Operations are being conducted for injection, withdrawal, transportation, storage or disposal of produced substances from a Wellsite Location;
- (3) Actual drilling operations have occurred at a Wellsite Location for the purpose of developing the Reserved Minerals.

For a period of 90 days following the 60-year anniversary of this Agreement and each fifth year anniversary thereafter, Owner shall have the right to select and purchase the Reserved Minerals in all or part of that portion of the Land which is more than two miles from a one mile square centered around a Well Site Location (other than an Abandoned Wellsite) in which the Reserved Minerals have not been used during the immediately preceding 60-year period.

If Owner elects to pursue either of these options to Purchase, Owner shall notify Producer of the lands it selects (subject to determination of the price), dividing the lands it selects into as many tracts as Owner desires for the purpose of valuing the Reserved Minerals to be purchased. Owner and Producer shall attempt to agree upon a purchase price for the Reserved Minerals in each tract, and Owner shall have the right, but not the obligation, to purchase the Reserved Minerals under any one or more tracts. If Owner and Producer do not agree upon a purchase price for the Reserved Minerals in any tract selected by Owner within 90 days from the date Producer receives notice from Owner of Owner's selections (the "90-day Valuation Period"), then each party shall select a qualified registered appraiser to appraise the present value of the Reserved Minerals in such tract, the cost of each appraisal to be borne by the party which selects the appraiser. Both appraisers shall be selected within 20 days from the end of the 90-day valuation period and, within 90 days from the end of the 90-day Valuation Period, each appraiser shall provide the parties with a determination of the value of the Reserved Minerals for each tract in dispute. If the two appraisers do not agree upon a purchase price, they shall immediately appoint a third independent

appraiser to make an independent appraisal. If three appraisals are made, the parties shall be bound by the middle appraisal, and the high and low appraisals shall be disregarded. If any one of the two original appraisals varies by more than twenty percent from the third appraisal, then the party whose appraiser made the appraisal with a variance of greater than twenty percent shall pay the full cost of the third appraisal. If neither or both of the two original appraisals varies by more than twenty percent from the third appraisal, then Producer and Owner shall each pay one-half of the cost of the third appraisal. Owner may, but is not obligated to, exercise its right to purchase any or all of the tracts it selects within 30 days from the date the purchase price for the tract is determined. Owner shall exercise such right by giving Producer notice of its intent to purchase and identifying the tract or tracts of land which it elects to purchase. If Owner exercises its right to purchase, Owner shall pay Producer for each tract an amount equal to the greater of the appraised amount as provided above or the following applicable minimum per acre price, adjusted on an annual basis per the average producer price index for the previous year:

Land selected under the first option - \$10 per net mineral acre

Land inside the "Primary Exploration Area" identified in Exhibit H to this Agreement and selected under the second option - 17.50 per net mineral acre

Land outside the "Primary Exploration Area" identified in Exhibit H to this Agreement and selected under the second option - \$5 per net mineral acre

Upon receipt of payment in full, Producer shall convey to Owner by special warranty deed all of the Reserved Minerals in the tract or tracts. The failure of Owner to purchase the Reserved Minerals in any tract at any one time shall not preclude Owner from purchasing such Reserved Minerals at any time in the future, provided that such tract still qualifies for the option at the time Owner elects to exercise the option.

20. Right of First Refusal. Each time Producer desires to sell, lease, farmout or otherwise assign all or any part of its interests in the Reserved Minerals for monetary consideration, it shall promptly give written notice to Owner, with full information concerning the proposed disposition, which shall include the name and address of the prospective transferee (who must be ready, willing and able to purchase), all of the terms of the proposed disposition, and a legal description sufficient to identify the property. Owner shall then have the right, but not the obligation, for a period of 30 business days after it receives the notice, to elect to purchase the interest which is the subject of the notice for the same monetary consideration and on the same terms. Owner shall have such right each time a sale, lease, farmout or other assignment is desired by Producer or its successors or assigns, and the failure of Owner to exercise such right in any one event shall not preclude Owner from exercising such right in any subsequent event; provided, however, Owner shall have no preferential right to purchase in those cases where Producer wishes to (1) mortgage its interests, (2) transfer interests by merger, reorganization, consolidation or by sale of substantially all of its oil and gas assets, or (3) transfer its interests to an affiliate or subsidiary.

In the event that the proposed transaction is for Producer to sell, lease, farmout or assign all or part of its interests in the Reserved Minerals for consideration other than monetary consideration, Owner shall have the right, but not the obligation, for a period of 30 days, to either (1) participate in the proposed transaction on the same terms and conditions included in the offer, or (2) purchase the entire mineral interest subject to the proposed transaction, in which case the purchase price for the interest shall be determined using the appraisal procedures described in Section 19 of this Agreement, except that the 90-day Valuation Period shall be reduced to 30 business days and shall begin on the day Producer receives Owner's notice that Owner elects to exercise its preferential right.

21. Assignment by Producer of Rights in Reserved Minerals. Producer shall not assign or delegate rights in the Reserved Minerals in whole or in part without the prior written consent of Owner, which consent shall not be unreasonably withheld. Owner shall have such right to consent each time a sale, lease, farmout or other assignment is desired by Producer or its successors or assigns, and the failure of Owner to exercise such right in any one event shall not preclude Owner from exercising such right in any subsequent event. In the event Owner fails to respond within 30 days of receipt of a request for consent, such consent shall be deemed to have been provided by Owner.

22. Binding Arbitration. Both parties shall be obligated to negotiate in good faith and attempt to resolve all disputes between Owner and Producer concerning their respective operations on the Land or the provisions in this Agreement. Any dispute which cannot be resolved through discussions and negotiations within the specific time frame provided for in this Agreement for a particular dispute, or within a reasonable period of time in cases where no time period is provided, shall be resolved by binding arbitration pursuant to this Section 22. Either party may demand arbitration of any issue or dispute arising out of this Agreement by giving written notice to the other party, which notice shall include a full and complete statement of the matter in controversy and the relief sought. Arbitration shall be conducted in Albuquerque, New Mexico, according to the rules and practices of the American Arbitration Association from time to time in force; however, discovery shall be conducted pursuant to the Federal Rules of Civil Procedure and shall be completed within 120 days from the selection of the panel of arbitrators. Each of the parties shall select an arbitrator and the two arbitrators so selected shall select a third arbitrator. The decision of the arbitrators shall be final and binding, and such award may be entered by either party in any state or federal court having jurisdiction over the parties. Each of the parties hereby agrees to abide by, perform, accept and fulfill such award without recourse to any other court or tribunal except in cases of an allegation that an award has been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith.

23. Right to Pursue Injunctive Relief. Each of the parties has the right to pursue injunctive relief in a court of competent jurisdiction to prevent the other party from taking action with respect to a matter that is the subject of a dispute between them at any time during the period that the parties are in discussions or negotiations concerning the dispute and during the time that the dispute is the subject of binding arbitration under Section 22 of this Agreement.

24. Costs. If any legal action or arbitration or other proceeding is brought to enforce this Agreement, or because of a dispute, breach, default, or misrepresentation in connection with any provision of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and other costs incurred in good faith in the action or proceeding in addition to any other relief to which it may be entitled. The term "prevailing party" shall include any party who engages counsel and subsequently obtains substantially the results sought as a plaintiff, defendant, petitioner or respondent, whether by judgment or award.

25. Notices. All notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if received by telefax with confirmation of transmission or if served personally on the party to whom notice is to be given, or when received if mailed to the party to whom notice is to be given, by first class mail, registered or certified postage prepaid, or by overnight courier and properly addressed as follows:

To Owner: Attn: Mr. Russ Miller
 P.O. Box 190
 401 Mill Street
 Gallatin Gateway, MT 59730

With a copy to: Vermejo Park Ranch

Drawer E
Raton, NM 87740

To Producer: Attn: Production Operations Manager
Pennzoil Exploration and Production Company
Box 2967
Houston, TX 77252-2967
Fax No.: (713) 546-8930

With a copy to: Attn: Legal Department
Pennzoil Exploration and Production Company
Box 2967
Houston, TX 77252-2967
Fax No.: (713) 546-8930

A party may change its address for purposes of this section by giving the other party written notice of the new address as provided for herein.

26. Savings Clause. In the event any provision, agreement, promise or covenant in this Agreement shall be held void, unenforceable, invalid or illegal by a court of competent jurisdiction, the remaining portions of this Agreement shall not be held void, unenforceable, invalid or illegal, and all other provisions of this Agreement shall continue in full force and effect.

27. Term. Except as set forth in this Section 27, this Agreement shall remain in full force and effect for a period of 99 years from the date that it is executed, and so long thereafter as oil or gas is being produced by Producer at the Land; provided, however, that to the extent necessary to avoid violation of the Rule Against Perpetuities, any non-vested interest subject to the Rule Against Perpetuities must vest, if at all, not later than 21 years after the life of any descendent of any President of the United States living when the non-vested interest was created.

28. Successors and Assigns/Covenant Runs with the Land. This Agreement and all of the covenants in it are binding on all parties who succeed to any interest which Producer or Owner has in the Land or the Mineral Land and shall be covenants that run with the lands. The terms and obligations are also binding on Owner and on Producer and all of their successors, successors-in-interest, trustees, agents, lessees, employees, invitees, licensees and contractors. However, this provision shall not be interpreted to require that any lessee, employee, invitee, licensee or contractor of Producer provide any bond or financial assurance in addition to that required of Producer hereunder.

29. Continuing Obligations. If any of Producer's successors-in-interest do not obtain the bonding, insurance and other security sufficient to cover its Hydrocarbon Operations, then all of Producer's successors-in-interest shall be jointly and severally liable for any such unsecured obligation.

30. Governing Law. This Agreement shall be construed in accordance with, and governed by, the laws of the State of New Mexico.

31. Recording. A Memorandum of this Agreement may be recorded in the appropriate County Clerk's offices in New Mexico and Colorado.

32. Entire Agreement; Modification; Waiver. This Agreement constitutes the final and complete agreement between the parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations, and understandings of the parties. No supplement, modification, or amendment of this Agreement shall be binding unless

executed in writing by the parties. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar.

33. Effective Date. This Agreement is effective on the date of the last signature.

34. Compliance with Applicable Law. Producer shall not be required to comply with any request of Owner or requirement under this Agreement which would cause Producer to violate any federal, state, county or local law, rule or regulation.

IN WITNESS WHEREOF, Producer and Owner executed this Agreement as of the date first above written.

Attest:

By:

Joan M. McNew,
Assistant Secretary

VERMEJO MINERALS CORPORATION

By:

James R. Strawn, Vice President

Attest:

By:

Joan M. McNew,
Assistant Secretary

VERMEJO PARK CORPORATION

By:

James R. Strawn, Vice President

Attest:

By:

Joan M. McNew,
Assistant Corporate
Secretary

PENNZOIL COMPANY

By:

James R. Strawn, agent and
Attorney-in-Fact

VERMEJO PARK L.L.C.

By:

J. Rutherford Seydel, Vice President

ACKNOWLEDGMENTS

STATE OF NEW MEXICO)

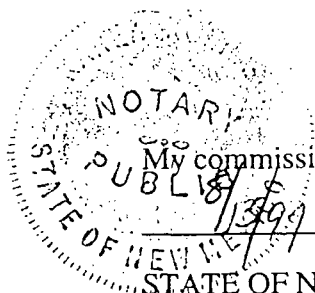
COUNTY OF BERNALILLO)

) ss.

This instrument was acknowledged before me this 20th day of September, 1996 by James R. Strawn, the Vice President of Vermejo Minerals Corporation, a Delaware corporation.

James R. Strawn

Notary Public



My commission expires:

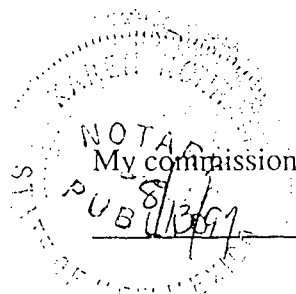
STATE OF NEW MEXICO

COUNTY OF BERNALILLO

)
) ss.
)

This instrument was acknowledged before me this 20th day of September, 1996 by Jamrs R. Strawn, the Vice President of Vermejo Park Corporation, a Delaware corporation.

Karen Howard
Notary Public



My commission expires:

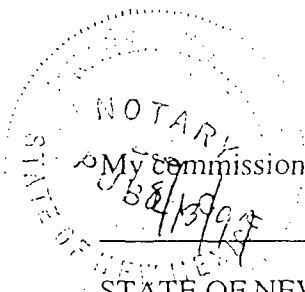
STATE OF NEW MEXICO

COUNTY OF BERNALILLO

)
) ss.
)

This instrument was acknowledged before me this 20th day of September, 1996 by James R. Strawn, the agent and Attorney-in-Fact of Pennzoil Company, a Delaware corporation.

Karen Howard
Notary Public



My commission expires:

STATE OF NEW MEXICO

COUNTY OF BERNALILLO

)
) ss.
)

This instrument was acknowledged before me this 20th day of September, 1996 by J. Rutherford Seydel, the Vice President of Vermejo Park L.L.C., a Georgia Limited Liability Company.

Karen Howard
Notary Public



My commission expires:

Filed For Record 9-23-96 at 9:25 AM Barbara Castillo, Recorder**WARRANTY DEED**

Vermejo Park Corporation, a Delaware corporation, and Vermejo Minerals Corporation, a Delaware Corporation (individually and collectively, "Grantor"), whose street address is 700 Milam, 31st Floor, Houston, Texas 77002, for good and valuable consideration paid by Vermejo Park L.L.C., a Georgia Limited Liability Company (herein called "Grantee"), whose street address is One CNN Center, 14th Floor, North Tower, Atlanta, GA 30303, the receipt and sufficiency of which consideration are hereby acknowledged and confessed, does hereby GRANT, BARGAIN, SELL and CONVEY unto Grantee, its successors and assigns, the Real Estate, located in Colfax County, New Mexico, Taos County, New Mexico, Costilla County, Colorado, and Las Animas County, Colorado.

TO HAVE AND TO HOLD the Real Estate unto the said Grantee, its successors and assigns, forever.

The Real Estate is granted with full warranty covenants, to wit, that the Grantor, for itself, its heirs, executors, administrators, successors, and successors in interest, covenants with the Grantee, its heirs, successors and assigns, that Grantor is lawfully seized in fee simple of the Real Estate; that the Real Estate is free from all former and other grants, bargains, sales, taxes, assessments, liens, claims, leases, easements, conditions, restrictions, or encumbrances, of any kind and nature whatsoever, except for the Permitted Real Estate Exceptions; that Grantor has good right to sell and convey the Real Estate; and that Grantor will, and its heirs, executors, administrators, and successors shall, warrant and defend the same to the Grantee and its heirs, successors, and assigns forever against the lawful claims and demands of all persons, except for the Permitted Real Estate Exceptions.

This deed is an absolute conveyance, the Grantor having sold the Real Estate to the Grantee for a fair and adequate consideration. Grantor declares that this conveyance is freely and fairly made. Grantor may execute one or more counterparts of this deed, each of which shall be an original, but all of which shall constitute one instrument.

As used in this Warranty Deed, the following terms have the following meanings:

Coal: all coal of all grades and types (including bituminous and sub-bituminous coal and lignite) and other substances contained in and associated with such coal, excluding coal seam and/or coalbed gas.

Coal Rights: all Coal and/or rights and interests in Coal in, under, and that may be produced from the Real Estate.

Minerals: all minerals of every kind and character, including but not limited to clay, sand, and gravel.

Mineral Rights: all right, title, and interest of Grantor in and to the Coal Rights and Other Minerals located in, under, and that may be produced from the Real Estate.

Oil and Gas: all oil, gas (including but not limited to coal seam and/or coalbed gas), and/or other liquid or gaseous hydrocarbons, and all substances except water produced in association therewith.

Oil and Gas Equipment and Fixtures: the equipment and other personal property, fixtures, and improvements owned by VMC and/or Pennzoil Exploration and Production

Company and used or held for use in connection with the exploration, development, or operation of the Oil and Gas Rights or the production, treatment, storage, compression, or transportation of Oil and Gas, all of which is described on Exhibit A hereto.

Oil and Gas Rights: all Oil and Gas and/or rights and interests in Oil and Gas in, under, and that may be produced from the Real Estate.

Other Minerals: Minerals other than Coal and Oil and Gas.

Permitted Real Estate Exceptions. The specific exceptions set forth on Exhibit B hereto.

Real Estate: the real property in Colfax County, New Mexico, Taos County, New Mexico, Costilla County, Colorado, and Las Animas County, Colorado described in Exhibit C hereto, together with all improvements, buildings, structures, roads, fences, barns, corrals, outbuildings, cabins, windmills, wells, pipes, cattle guards, bridges, and fixtures, of every nature and description whatsoever erected, affixed, or which belong to or are used in connection with such real property (excluding the Oil and Gas Equipment and Fixtures), and all timber thereon and all of Grantor's right, title and interest in and to all rights of way, easements, reversionary interests, remainder interests, options, appendages and appurtenances, tenements, hereditaments, gorges, strips and gores, any right, title, and interest in any adjoining or adjacent streets, roads, or rights of way, all vacated alleys, streets, and roads, and other property rights appurtenant thereto, save and except all Oil and Gas Rights, water rights, and all Mineral Rights.

Witness our hand and seal this 20th day of September, 1996.

Attest:

By:

Joan M. McNew,
Assistant Secretary

Attest:

By:

Joan M. McNew,
Assistant Secretary

VERMEJO MINERALS CORPORATION

By:

James R. Strawn, Vice President

VERMEJO PARK CORPORATION

By:

James R. Strawn, Vice President

ACKNOWLEDGMENTS

STATE OF NEW MEXICO)
) ss.
 COUNTY OF BERNALILLO)

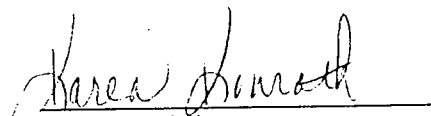
This instrument was acknowledged before me this 20th day of September, 1996 by James R. Strawn, the Vice President of Vermejo Minerals Corporation, a Delaware corporation.


 Notary Public

My commission expires: _____

STATE OF NEW MEXICO)
) ss.
 COUNTY OF BERNALILLO)

This instrument was acknowledged before me this 20th day of September, 1996 by James R. Strawn, the Vice President of Vermejo Park Corporation, a Delaware corporation.


 Notary Public

My commission expires: _____

03064/urn w. deed

EXHIBIT "g"
TO AGREEMENT FOR PURCHASE AND SALE
DATED JUNE __, 1996

<u>WELLS</u>	<u>A/E</u>	<u>LOCATION</u>	<u>WELL NUMBER</u>	<u>ELEV. (FEET)</u>	<u>CASING DEPTH</u>	<u>NOTES</u>
A	7099961	VN BRMR	3019321K	7641	2085	17 Pumping Units, Casg., Tbg., Rods and Pumps and Misc. in Pipeyard
B	7099962	VN BRMR	3019312E	7780	2272	
C	7099963	VN BRMR	3019302E	7739	2177	
D	7099964	VN BRMR	3018251E	7889	2329	
E	7099965	VN BRMR	3018241M	7831	2325	
F	7099966	VN BRMR	3018252G	7807	2237	
G	7099967	VN BRMR	3019311G	7692	2171	
H	7099968	VN BRMR	3019322D	7638	2088	
I	7099969	VN BRMR	3018253B	7797	2172	
O	7099975	VN BRMR	2919041D	7538	2035	
P	7099976	VALDEZ	2918011D	7992	2546	Pumps, motors, parts and materials/supplies in barn (West of Q Well in C.R.P.)
Q	7099977	CASTL ROK	31118311M	8568	2033	
R	7099978	CASTL ROK	3017021M	8256	1962	
S	7099979	CASTL ROK	3117141G	8146	1113	
T	7099970	VALDEZ	3018351F	8131	2691	
U	7099972	VALDEZ	2918012J	7917	2534	
V	7099973	VALDEZ	2919071C	7813	2370	
W	7099974	CEROSOSO	2918111D	7924	2421	
X	7099982	CAN RVR	3220291I	8058	2379	
Y	7099983	CAN RVR	3219341A	8168	2444	
301J	-----	VN BRMR	3019301J			
CA	7099984	COTNWOOD	3565081	6949		P&A Colorado
CB	7099985	COTNWOOD	3466351	7222		P&A Colorado
CC	7099986	COTNWOOD	3567121	7450		1842 Colorado
90-1	7009962	CASL ROK	3017031F	8512	2130	
90-2	7009963	CASL ROK	3117271G	8710	1993	
90-3	7009964	CASL ROK	3118321H	8593	1987	
91-1	7019961	CASL ROK	3118322F	8684	2140	
91-2	7019962	CASL ROK	3118323N	8617	2169	
91-3	7019963	CASL ROK	3017161H	9139	2861	

NOTE: Well number gives location; i.e., 3019321K reads as Township 30; Range 19; Section 32; Well Number 1 in that Section and located in N.E. Quarter of the S.W. Quarter, or Unit K.

EXHIBIT

A

TO AGREEMENT FOR PURCHASE AND SALE
DATED JUNE __, 1996

<u>ELLS</u>	<u>A/E</u>	<u>LOCATION</u>	<u>WELL NUMBER</u>	<u>ELEV. (FEET)</u>	<u>CASING DEPTH</u>	<u>NOTES</u>
A	7099961	VN BRMR	3019321K	7641	2085	17 Pumping Units, Casg., Tbg., Rods and Pumps and Misc. in Pipeyard
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E	7099965	VN BRMR	3018241M	7831	2325	
F	7099966	VN BRMR	3018252G	7807	2237	
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U	7099972	VALDEZ	2918012J	7917	2534	
V	7099973	VALDEZ	2919071C	7813	2370	
W	7099974	CEROSOSO	2918111D	7924	2421	
X	7099982	CAN RVR	3220291I	8058	2379	
Y	7099983	CAN RVR	3219341A	8168	2444	
301J	-----	VN BRMR	3019301J			
CA	7099984	COTNWOOD	3565081	6949	P&A Colorado	
CB	7099985	COTNWOOD	3466351	7222	P&A Colorado	
CC	7099986	COTNWOOD	3567121	7450	1842 Colorado	
90-1	7009962	CASL ROK	3017031F	8512	2130	
90-2	7009963	CASL ROK	3117271G	8710	1993	
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91-2	7019962	CASL ROK	3118323N	8617	2169	
91-3	7019963	CASL ROK	3017161H	9139	2861	

NOTE: Well number gives location, i.e., 3019321K reads as Township 30, Range 19, Section 32, Well Number 1 in that Section and located in N.E. Quarter of the S.W. Quarter, or Unit K.

THENCE South 56 degrees 26 minutes 16 seconds East for a distance of 52.92 feet along the North Right of Way line of State Road 56 to the point and place of beginning.

Said property contains 10.8 acres more or less.

TO HAVE AND TO HOLD the same unto the said Grantee, its successors and assigns, forever.

This deed is an absolute conveyance, the Grantor having sold said real estate to the Grantee for a fair and adequate consideration. Grantor declares that this conveyance is freely and fairly made. Grantor may execute one or more counterparts of this deed, each of which shall be an original, but all of which shall constitute one instrument.

As used in this Quitclaim Deed, the following terms shall have the following meanings:

Coal: all coal of all grades and types (including bituminous and sub-bituminous coal and lignite) and other substances contained in and associated with such coal, excluding coal seam and/or coalbed gas.

Coal Rights: all Coal and/or rights and interests in Coal in, under, and that may be produced from the Real Estate.

Minerals: all minerals of every kind and character, including but not limited to clay, sand, and gravel.

Mineral Rights: all right, title, and interest of Grantor in and to the Coal Rights and Other Minerals located in, under, and that may be produced from the Real Estate.

Oil and Gas: all oil, gas (including but not limited to coal seam and/or coalbed gas), and/or other liquid or gaseous hydrocarbons, and all substances except water produced in association therewith.

Oil and Gas Equipment and Fixtures: the equipment and other personal property, fixtures, and improvements owned by VMC and/or Pennzoil Exploration and Production Company and used or held for use in connection with the exploration, development, or operation of the Oil and Gas Rights or the production, treatment, storage, compression, or transportation of Oil and Gas, all of which is described on Exhibit A hereto.

Oil and Gas Rights: all Oil and Gas and/or rights and interests in Oil and Gas in, under, and that may be produced from the Real Estate.

Other Minerals: Minerals other than Coal and Oil and Gas.

Witness our hand and seal this 20th day of September, 1996.

Attest:

By:

Joan M. McNew,
Assistant Secretary

VERMEJO MINERALS CORPORATION

By:

James R. Strawn, Vice President

Filed For Record 9-25-96 at 3:40 PM Barbara Castillo, Recorder**QUITCLAIM DEED**

Vermejo Park Corporation, a Delaware corporation, and Vermejo Minerals Corporation, a Delaware Corporation (individually and collectively, "Grantor"), whose street address is 700 Milam, 31st Floor, Houston, Texas 77002, for good and valuable consideration paid by Vermejo Park L.L.C., a Georgia Limited Liability Company (herein called "Grantee"), whose street address is One CNN Center, 14th Floor, North Tower, Atlanta, GA 30303, the receipt and sufficiency of which consideration are hereby acknowledged and confessed, does hereby GRANT and QUITCLAIM unto Grantee, its successors and assigns, the following described real estate located in Colfax County, New Mexico, Taos County, New Mexico, Costilla County, Colorado, and Las Animas County, Colorado:

Any and all land and real estate owned by the Grantor in Colfax County, New Mexico, Taos County, New Mexico, Costilla County, Colorado, or Las Animas County, Colorado together with all improvements, buildings, structures, roads, fences, barns, corrals, outbuildings, cabins, windmills, wells, pipes, cattle guards, bridges, and fixtures, of every nature and description whatsoever erected, affixed, or which belong to or are used in connection with such real property (excluding the Oil and Gas Equipment and Fixtures), and all timber thereon and all of Grantor's right, title and interest in and to all rights of way, easements, reversionary interests, remainder interests, options, appendages and appurtenances, water rights, tenements, hereditaments, gorges, strips and gores, any right, title, and interest in any adjoining or adjacent streets, roads, or rights of way, all vacated alleys, streets, and roads, and other property rights appurtenant thereto, save and except all Oil and Gas Rights and all Mineral Rights; and save and except for the following described real property, which shall not be conveyed by this deed:

A tract of land within Section 11 of Township 26 North 19 East of the NMPM, Colfax County, New Mexico being more particularly described as follows:

Commencing at a pipe and marked stone marking the 1/4 Corner Common to Sections 10 and 11 of T 26 N, R 19 E, Thence North 01 degrees 09 minutes 47 seconds East, 1505.56 feet to a 1/2 inch rebar set in the North Right of Way line of State Highway 58 being the point and place of beginning, and being point No. 1;

THENCE North 51 degrees 54 minutes 01 seconds East for a distance of 1388.73 feet to a 1/2 " rebar with cap being corner No. 2;

THENCE South 83 degrees 24 minutes 21 seconds East for a distance of 1005.93 feet to a 1/2 " rebar with cap being corner No. 3;

THENCE North 07 degrees 54 minutes 52 seconds West for a distance of 429.30 feet to a 1/2 " rebar with cap being corner No. 4;

THENCE North 83 degrees 16 minutes 50 West for a distance of 928.61 feet to a 1/2 " rebar with cap being corner No. 5;

THENCE South 02 degrees 27 minutes 16 seconds West for a distance of 352.64 feet to a 1/2 " rebar with cap being corner No. 6;

THENCE South 51 degrees 38 minutes 01 seconds West for a distance of 1449.23 feet to a 1/2 " rebar with cap set on the North Right of way line of State Road No. 58 being corner No. 7;

Attest:

By:

Joan M. McNew,
Assistant Secretary

VERMEJO PARK CORPORATION

By:

James R. Strawn, Vice President

ACKNOWLEDGMENTS

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me this 20th day of September, 1996 by James R. Strawn, the Vice President of Vermejo Minerals Corporation, a Delaware corporation.

Karen Horroth
Notary Public

My commission expires:

8/13/97

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me this 20th day of September, 1996 by James R. Strawn, the Vice President of Vermejo Park Corporation, a Delaware corporation.

Karen Horroth
Notary Public

My commission expires:

8/13/97

003064100 n.d. Cfx

Filed For Record 9-25-96 at 3:38 PM Barbara Castillo, Recorder**SPECIAL WARRANTY MINERAL DEED**

Vermejo Park Corporation, a Delaware corporation, and Vermejo Minerals Corporation, a Delaware Corporation (individually and collectively, "Grantor"), whose street address is 700 Milam, 31st Floor, Houston, Texas 77002, for good and valuable consideration paid by Vermejo Park L.L.C., a Georgia Limited Liability Company (herein called "Grantee"), whose street address is One CNN Center, 14th Floor, North Tower, Atlanta, GA 30303, the receipt and sufficiency of which consideration are hereby acknowledged and confessed, does hereby GRANT, BARGAIN, SELL and CONVEY unto Grantee, its successors and assigns, the Mineral Rights located in Colfax County, New Mexico, Taos County, New Mexico, Costilla County, Colorado, and Las Animas County, Colorado, together with the rights incident thereto and the personal property appurtenant thereto or used or obtained in connection therewith.

TO HAVE AND TO HOLD the Mineral Rights unto Grantee, its successors and assigns, forever, with special warranty covenants.

In addition to the special warranty covenants, Grantor warrants and represents to Grantee that to the best knowledge of Grantor, Grantor owns (i) with respect to the portion of the Real Estate described in the P&M Indenture, those Mineral Rights stated to be owned by Grantor in the P&M Indenture, and (ii) with respect to the portion of the Real Estate not described in the P&M Indenture, all Mineral Rights in, under, and that can be produced from such portion of the Real Estate and stated to be owned by Grantor or Grantor's predecessor in the Title Opinions, subject, however, in both cases, to the exceptions, comments, and requirements set forth in the Title Opinions. Grantor represents and warrants to Grantee that Grantor has not sold or conveyed any of the Mineral Rights to any third party since acquiring such Mineral Rights, and the Mineral Rights are free and clear of all liens and mortgages.

By this deed, Grantor also GRANTS AND QUITCLAIMS to Grantee any other Mineral Rights Grantor may have located in, under, and that may be produced from any other real property owned by Grantor in Colfax County, New Mexico, Taos County, New Mexico, Costilla County, Colorado, or Las Animas County, Colorado.

As used in this Special Warranty Mineral Deed, the following terms shall have the following meanings:

Coal: all coal of all grades and types (including bituminous and sub-bituminous coal and lignite) and other substances contained in and associated with such coal, excluding coal seam and/or coalbed gas.

Coal Rights: all Coal and/or rights and interests in Coal in, under, and that may be produced from the Real Estate.

Minerals: all minerals of every kind and character, including but not limited to clay, sand, gravel, gob, coal tailings, and waste piles.

Mineral Rights: all right, title, and interest of Grantor in and to the Coal Rights and Other Minerals located in, under, and that may be produced from the Real Estate and the NRA Tract, including reversionary interests, including but not limited to all Mineral Rights, including royalties, conveyed to Grantor in the lands described in the following instruments:

P&M Indenture: the Amended and Restated Indenture Agreement dated January 31, 1989, executed by Grantor, Vermejo Park Corporation, a Delaware corporation, the Pittsburgh and Midway Coal Mining Co., and Chevron U.S.A. Inc. and recorded with the Colfax County Recorder on February 1, 1989 in Misc. Book 121, page 3416.

Real Estate: the real property in Colfax County, New Mexico, Taos County, New Mexico, Costilla County, Colorado, and Las Animas County, Colorado described in Exhibit A hereto; together with all of Grantor's right, title and interest in and to all rights of way, easements, reversionary interests, remainder interests, options, appendages and appurtenances, tenements, hereditaments, gorges, strips and gores, any right, title, and interest in any adjoining or adjacent streets, roads, or rights of way, all vacated alleys, streets, and roads.

Title Opinions: the title opinions rendered to Grantor by Hinkle, Cox, Eaton, Coffield & Hensley on May 25, 1979, number 24, 139, and December 21, 1988, number 26, 693.

This Special Warranty Mineral Deed is an absolute conveyance, the Grantor having sold said Mineral Rights to the Grantee for a fair and adequate consideration. Grantor declares that this conveyance is freely and fairly made. Grantor may execute one or more counterparts of this deed, each of which shall be an original, but all of which shall constitute one instrument.

Witness our hand and seal this 20th day of September, 1996.

Attest:

By:

Joan M. McNew,
Assistant Secretary

VERMEJO MINERALS CORPORATION

By:

James R. Strawn, Vice President

Attest:

By:

Joan M. McNew,
Assistant Secretary

VERMEJO PARK CORPORATION

By:

James R. Strawn, Vice President

ACKNOWLEDGMENTS

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me this 20th day of September, 1996 by James R. Strawn, the Vice President of Vermejo Minerals Corporation, a Delaware corporation.

<u>Date</u>	<u>Recorded</u>	<u>Grantor</u>	<u>Grantee</u>
10/1/73	M53-26 (Taos)	Taos County Minerals, Inc	VPC
8/15/73	194-433 (Costilla)	American Mfg Co. of Texas	VPC
8/21/73	194-480 (Costilla)	American Mfg Co. of Texas	VPC
7/6/89	867-752 (L. Anim.)	Nort. Cimarron Res. Co.	VPC
7/6/89	867-746 (L. Anim)	Nort. Cimarron Res. Co.	VMC
1/31/89	121 Misc. 3369 (Col.)	Kaiser Coal Corporation	VMC
1/31/89	167 Deeds 3694 (Col.)	Chevron USA	VMC
1/31/89	167 Deeds 3633 (Col.)	Kaiser Coal Corporation	VPC
1/31/89	167 Deeds 3656 (Col.)	Kaiser Coal Corporation	VMC
1/31/89	167 Deeds 3592 (Col.)	Vermejo Park Corporation	VMC
8/29/77	132 Deeds 256 (Col.)	Kaiser Steel Corporation	VPC
8/10/91	2-6438 (Col.)	Larry J. Casey et ux	VPC

but excepting the lands described in the following instruments:

<u>Date</u>	<u>Recorded</u>	<u>Grantor</u>	<u>Grantee</u>
9/5/1900	W Deeds 164	The Maxwell Land Grant Company	Lucy Brunilli et. al.
11/11/1895	Q Deeds 12	The Maxwell Land Grant Company	Modesto Brunelli
9/1/1898	Q Deeds 102	The Maxwell Land Grant Company	William H. Smith
4/15/1899	K Misc. 96	The Maxwell Land Grant Company	Henry Dargel
11/1/1898	K Misc. 100	The Maxwell Land Grant Company	Frederick Dahrens
1/1/1915	40 Deeds 373	The Maxwell Land Grant Company	Charles Springer & Co.
6/8/1905	X Deeds 120	The Maxwell Land Grant Company	Charles Springer
10/27/1950	87 Deeds 540	St. Louis Rocky Mountain and Pacific Company	Frank Gumm, Jr.et. al.
12/10/81	A160-900 (Taos)	VPC	U.S.A.
10/23/89	168 Deeds 595	VPC and VMC	New Mexico
6/15/92	3-3728	VPC and VMC	Jerry Lemons
12/23/91	2-7374	VPC and VMC	Cimm. Mun. Schools
10/2/92	3-6989	VPC	Salathiel A. and Tonya Minor

and also excepting the following described lands:

(i) Lots 5 and 6, Section 2, E/2SW/4, of Township 31 North Range 24 East, N.M.P.M; and

(ii) Section 18, E/2E/2, Township 31 North, Range 25 East, N.M.P.M.

NRA Tract: that 27,759 acre parcel more particularly described in the Warranty Deed from Kaiser Steel Corporation to National Rifle Association, dated January 28, 1974 and recorded in Colfax County Deed Volume 123 at pages 187 through 195.

Oil and Gas: all oil, gas (including but not limited to coal seam and/or coalbed gas), and/or other liquid or gaseous hydrocarbons, and all substances except water produced in association therewith.

Other Minerals: Minerals other than Coal and Oil and Gas.

Karen Hornath
Notary Public

My commission expires:

8/13/97

STATE OF NEW MEXICO

COUNTY OF BERNALILLO

)
) ss.
)

This instrument was acknowledged before me this 20th day of September, 1996 by James R. Strawn, the Vice President of Vermejo Park Corporation, a Delaware corporation.

Karen Hornath
Notary Public

My commission expires:

8/13/97

08276d/turner, r. deed-Cfx

Filed For Record 9-23-96 at 9:27 AM Barbara Castillo, Recorder**SPECIAL WARRANTY DEED--WATER RIGHTS**

Vermejo Park Corporation, a Delaware corporation, and Vermejo Minerals Corporation, a Delaware Corporation (individually and collectively, "Grantor"), whose street address is 700 Milam, 31st Floor, Houston, Texas 77002, for good and valuable consideration paid by Vermejo Park L.L.C., a Georgia Limited Liability Company (herein called "Grantee"), whose street address is One CNN Center, 14th Floor, North Tower, Atlanta, GA 30303, the receipt and sufficiency of which consideration are hereby acknowledged and confessed, does hereby GRANT, BARGAIN, SELL, and CONVEY unto Grantee, its successors and assigns, the Water Rights.

TO HAVE AND TO HOLD the Water Rights unto the said Grantee, its successors and assigns, forever.

The Water Rights are granted with special warranty covenants, to wit, that the Grantor, for itself, its heirs, executors, administrators, and successors, covenants with the Grantee, its heirs, successors, and assigns, that the granted Water Rights are free from all encumbrances made by the Grantor, and that it will, and its heirs, executors, administrators and successors shall warrant and defend the same to the Grantee and its heirs, successors and assigns forever against the lawful claims and demands of all persons claiming by, through or under the Grantor, but against none other.

Grantor further warrants and represents to the Grantee that (i) the Water Rights are free and clear of all liens, leases, mortgages, claims of record, ditch fees, taxes, assessments, and encumbrances, subject to the rules and regulations of the State Engineer, the principles of the doctrine of prior appropriation, interstate compacts, and conditions in permits and adjudication decrees; (ii) except as disclosed in the Purchase Agreement, within the last ten (10) years there have been no disputes over the use of the Water Rights; and (iii) no party other than Grantor has the right to divert or currently diverts ground water from the Real Estate, or has the right to divert or currently diverts surface water from the Real Estate, except for the rights pursuant to the P&M Indenture and the Costilla Reservoir; all of the representations and warranties in this paragraph being subject to the terms and provisions of Sections 22 and 26 of the Purchase Agreement.

By this deed, Grantor also GRANTS AND QUITCLAIMS to Grantee any and all rights to use water delivered by irrigation or conservancy districts, and any shares or stock in such districts, located in Colfax County, New Mexico, Taos County, New Mexico, Costilla Coutny, Colorado, and Las Animas County, Colorado.

This deed is an absolute conveyance, the Grantor having sold the Water Rights to the Grantee for a fair and adequate consideration. Grantor declares this conveyance is freely and fairly made.

As used in this Special Warranty Deed, the following terms shall have the following meanings.

Costilla Reservoir: That water reservoir, commonly referred to as the "Costilla Reservoir," which is part of the Real Estate located within the County of Taos, State of New Mexico, and from which water is released to serve downstream water users located outside the boundaries of the Real Estate.

P&M Indenture: The Amended and Restated Indenture Agreement dated January 31, 1989, executed by Vermejo Park Corporation, Vermejo Minerals Corporation, Pittsburgh and Midway Coal Mining Co. and Chevron U.S.A. Inc., and recorded with the Colfax County Recorder on February 1, 1989 in Misc. Book 121, Page 3416.


Purchase Agreement: that certain Agreement for Purchase and Sale dated June 18, 1996, by and between Grantor and Grantee.

Real Estate: The real property conveyed from Vermejo Minerals Corporation, a Delaware corporation, Vermejo Park Corporation, a Delaware Corporation, and Pennzoil Company, a Delaware Corporation, to Vermejo Park L.L.C., a Georgia Limited Liability Company by warranty deed dated September 20, 1996, recorded as follows: 1) in Book _____, Page _____, in the office of the Colfax County Clerk, Raton, New Mexico on _____, 1996; 2) in Book _____, Page _____, in the office of the Taos County Clerk, Taos, New Mexico on _____, 1996; 3) in Book _____, Page _____, in the office of the Costilla County Clerk, San Luis, Colorado on _____, 1996; and 4) in Book _____, Page _____, in the office of the Las Animas County Clerk, Trinidad, Colorado on _____, 1996.

Water Rights: All of Grantor's right, title, and interest in and to all water rights (including permitted, adjudicated, or contracted for surface rights, ditch rights, ground water rights, subsurface rights, and combined rights) owned or claimed by Seller, including without limitation those identified in Exhibit A hereto.

Witness our hand and seal this ____ day of September, 1996.

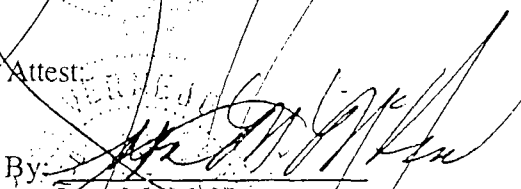
Attest:

By: 
Joan M. McNew,
Assistant Secretary

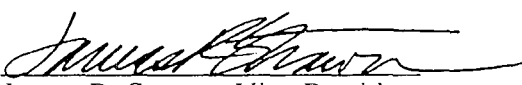
VERMEJO MINERALS CORPORATION

By: 
James R. Strawn, Vice President

Attest:

By: 
Joan M. McNew,
Assistant Secretary

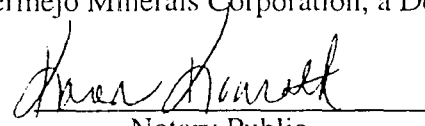
VERMEJO PARK CORPORATION

By: 
James R. Strawn, Vice President

ACKNOWLEDGMENTS

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me this 20th day of September, 1996 by James R. Strawn, the Vice President of Vermejo Minerals Corporation, a Delaware corporation.

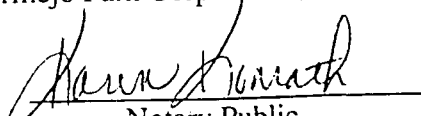

Notary Public

My commission expires:

8/13/97
CLIC

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me this 20th day of September, 1996 by James R. Strawn, the Vice President of Vermejo Park Corporation, a Delaware corporation.


Notary Public

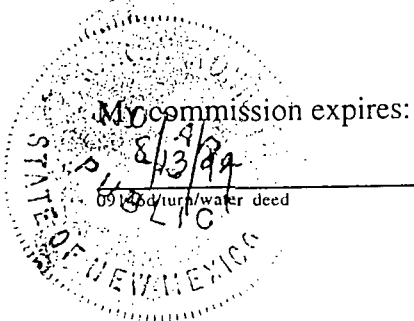


EXHIBIT A

SURFACE WATER RIGHTS

	SOURCE	POINT OF DIVERSION	QUANTITY IN ACRE- FEET	ACRES	PLACE OF USE	PURPOSE OF USE	PRIORITY	ADJUDICATION OR SEO FILE NO.
1.	Vermejo River	Ditch No. 12 (a.k.a. Shy Ditch), shown on Map Sheet 9. The intake is located on the south side of the Vermejo River at a point near the upper end of Vermejo Park, where the highway crosses the Vermejo River. Also see Note 1.	108.6	54.3	See Note 2	Irrigation	1878	Adjudication decree entered 11/13/41 in District Court, Colfax County, Cause No. 7201, Paragraph 1. SEO File No. 010.
2.	Vermejo River	Ditch Nos. 13 and 13A (a.k.a. Young Ditches), shown on Map Sheet 11. The intake is located on the north side of the Vermejo River, at a point about ¼ mile below the intake of Ditch No. 12, a short distance below the first plank bridge in the upper end of Vermejo Park. See Note 1.	782.2	391.1	See Note 2	Irrigation	1873	Same as line 1.
3.	Vermejo River	Ditch No. 14 (a.k.a. Parsons Ditch), shown on Map Sheet 11. The intake is located on the north side of the Vermejo River at a point a short distance below the corral in Vermejo Park and just below the blacksmith shop. See Note 1.	188.4	94.2	See Note 2	Irrigation	1876	Same as line 1.
4.	Vermejo River	Ditch No. 15 (a.k.a. Reid Ditch), shown on Map Sheet 11. The intake is located on the south side of the Vermejo River, at a point just opposite the location of the old Parsons house in Vermejo Park. See Note 1.	68.0	34.0	See Note 2	Irrigation	1874	Same as line 1.
5.	Vermejo River	Ditch No. 16 (a.k.a. Baca and Vigil Ditch), shown on Map Sheet 12. Permit issued under SEO File No. 010 on 12/15/80 to change point of diversion to a pump location ¼ mile east of original point of diversion.	127.4	63.7	See Note 2	Irrigation	1873	Same as line 1.
6.	Vermejo River	Ditch No. 17 (a.k.a. Montoya Ditch), shown on Map Sheet 13. Permit issued under SEO File No. 010 on 12/15/80 to change point of diversion to a pump location ¼ mile east of original point of diversion for Ditch No. 16.	100.0	50.0	See Note 2	Irrigation	1876	Same as line 1.

	SOURCE	POINT OF DIVERSION	QUANTITY IN ACRE- FEET	ACRES	PLACE OF USE	PURPOSE OF USE	PRIORITY	ADJUDICATION OR SEO FILE NO.
7.	Vermejo River	Ditch No. 19, shown on Map Sheet 14. Permit issued under SEO File No. 010 on 12/15/80 to change point of diversion to a pump location ¼ mile below original point of diversion for Ditch No. 19.	80.0	40.0	See Note 2	Irrigation	1876	Same as line 1.
8.	Vermejo River	Ditch No. 20 (a.k.a. Torres Ditch) shown on Map Sheet 14. Permit issued under SEO File No. 010 on 12/15/80 to change point of diversion to a pump location 1/3 mile west of the horse ranch on the north side of the river.	125.8	62.9	See Note 2	Irrigation	1873	Same as line 1.
9.	Vermejo River	Ditch No. 21, (a.k.a. Vensor Ditch), Ditch No. 22 (a.k.a. Brackett Ditch), and Ditch No. 23, shown on Map Sheet 14. The intake for these ditches is located on the north side of the Vermejo River at a point about ¼ mile above Gachupin Canyon and ½ mile above the old Brackett house. See Note 1.	160.0	80.0	See Note 2	Irrigation	1873	Same as line 1.
10.	Leandro Creek, tributary to Vermejo River	Ditch No. 25 (a.k.a. Bonita Ditch), Ditch No. 26 (a.k.a. Marques Ditch), and Ditch No. 31 (a.k.a. Delores Ditch), shown on Map Sheet 5 (for Nos. 25 & 26) and on Map Sheet 3 (for No. 31). The intake for Ditch No. 31 is located at a point south and west of Munn Lake, the intake for Ditch No. 25 is located at a point approximately due north of Merrick Lake, and the intake for Ditch No. 26 is located at a point northeast of Merrick Lake. See Note 1.	534.8	267.4	See Note 2	Irrigation	1876	Same as line 1.
11.	Leandro Creek, tributary to Vermejo River	Ditch No. 28 (a.k.a. Leandro Ditch), shown on Map Sheet 5. The intake is located a point about 200 yards west of the county road at the crossing of Leandro Creek. See Note 1.	98.6	49.3	See Note 2	Irrigation	1876	Same as line 1.
12.	Bernal Creek, tributary to Vermejo River	Ditch No. 32, (a.k.a. Maes Ditch), Ditch No. 33, and Ditch No. 34, shown on Map Sheet 6. The intake for these ditches is located at a point about ¼ mile below the place where Bernal Creek passes the south wall. See Note 1.	44.0	22.0	See Note 2	Irrigation	1906	Same as line 1.

	SOURCE	POINT OF DIVERSION	QUANTITY IN ACRE- FEET	ACRES	PLACE OF USE	PURPOSE OF USE	PRIORITY	ADJUDICATION OR SEO FILE NO.
13.	Upper Rock Creek, tributary to Vermejo River	Ditch No. 35, shown on Map Sheet 1. The intake for this ditch is located on the southeast side of Upper Rock Creek, at a point on the southwestern edge of Castle Rock Park just northeast of the place where Rock Creek comes out of the mountains and enters Castle Rock Park. See Note 1.	16.0	8.0	See Note 2	Irrigation	1904	Same as line 1.
14.	Rock Creek, tributary to Vermejo River	Ditch No. 36 (a/k/a Castle Rock Ditch) shown on Map Sheet 1. The intake is located on the south side of Rock Creek near the point where Rock Creek enters Castle Rock Park.	678.0	339.0	See Note 2	Irrigation	1884	Same as line 1.
15.	Rock Creek, tributary to Vermejo River	Ditch No. 37 (a/k/a Castle Rock Ditch), shown on Map Sheet 2. The intake is located on the north side of Rock Creek at a point about 100 yards west of Castle Rock.	48.00	24.0	See Note 2	Irrigation	1884	Same as line 1.
16.	Rock Creek, tributary to Vermejo River	Ditch No. 38 (a.k.a Raspberry Ditch), shown on Map Sheet 2. The intake is located on the north side of Rock Creek at a point about 300 yards west of the Castle Rock house.	162.6	81.3	See Note 2	Irrigation	1904	Same as line 1.
17.	Upper Rock Creek, tributary to Vermejo River	Ditch No. 39 (a.k.a. Andres Herrera Ditch), whose intake is located on the northwest side of Upper Rock Creek at a point on the southwestern edge of Castle Rock Park about 2150 feet below the intake of Ditch No. 36.	20.0	10.0	See Note 2	Irrigation	1884	Same as line 1.
18.	Vermejo River & tributaries (Bernal Creek)	Through any ditches convenient for the purpose of filling Bernal Lake. Ditch No. 34, shown on Map Sheet 6, is used to fill Bernal Lake. The intake for the ditch is located at a point about ¼ mile below the place where Bernal Creek passes the south wall. See Note 1.	68.11 (capacity of the lake)	N/A	Bernal Lake	Storage of water and for irrigation	1907	Same as line 1.
19.	Vermejo River & tributaries (Leandro Creek)	Through any ditches convenient for the purpose of filling Munn Lake. Ditch No. 31 (a.k.a. Delores Ditch), shown on Map Sheet 3 is used to fill Munn Lake. The intake for Ditch No. 31 is located a point south and west of Munn Lake. See Note 1.	319.88 (capacity of the lake)	N/A	Munn Lake	Storage of water and for irrigation	1907	Same as line 1.

	SOURCE	POINT OF DIVERSION	QUANTITY IN ACRE- FEET	ACRES	PLACE OF USE	PURPOSE OF USE	PRIORITY	ADJUDICATION OR SEO FILE NO.
20.	Vermejo River & tributaries (Leandro Creek)	Through any ditches convenient for the purpose of filling Merrick Lake. Ditch No. 28 (a.k.a. Leandro Ditch), shown on Map Sheet 5, is used to fill Merrick Lake. The intake is located at a point about 200 yards west of the county road at the crossing of Leandro Creek. See Note 1.	204.28 (capacity of the lake)	N/A	Merrick Lake	Storage of water and for irrigation	1907	Same as line 1.
21.	Vermejo River & tributaries (Rock Creek)	Through any ditches convenient for the purpose of filling Mary Lake. Ditch No. 35, shown on Map Sheet 1, is used to fill Mary Lake. The intake for this ditch is located on the southeast side of Upper Rock Creek, at a point on the southwestern edge of Castle Rock Park just northeast of the place where Rock Creek comes out of the mountains and enters Castle Rock Park. See Note 1.	872.41 (capacity of the lake)	N/A	Mary Lake	Storage of water	1907	Same as line 1.
22.	Vermejo River & tributaries (Leandro Creek)	Through any ditches convenient for the purpose of filling Adams Lake. Ditch No. 29 (a.k.a. Twin Lakes Ditch), shown on Map Sheet 3, is used to fill Adams Lake. See Note 1.	2255.29 (capacity of the lake)	N/A	Adams Lake	Storage of water and for irrigation	1907	Same as line 1.
23.	Vermejo River & tributaries (Leandro Creek)	Through any ditches convenient for the purpose of filling Bartlett Lake. Ditch No. 29 (a.k.a. Twin Lakes Ditch), shown on Map Sheet 3, is used to fill Bartlett Lake. See Note 1.	6377.44 (capacity of the Lake)	N/A	Bartlett Lake	Storage of water	1907	Same as line 1.
24.	Vermejo River	Nash-Stepp Ditch, having its intake on the north and east side of the Vermejo River at a point westerly of the section line between Sections 15 & 16 in T27N, R21E, NMPM. See Note 3.	93.46	46.73	See Note 2.	Irrigation	1879	Adjudication decree entered 11/13/41 in District Court of Colfax County, Cause No. 7201, paragraph VI.
25.	Vermejo River & Salt Peter Creek, tributary of Vermejo River	Through the works of the Vermejo Conservancy District, successor to the Maxwell Irrigation Co.	300	200	Parts of Section 3 & 4, T26N, R22E.	Irrigation	1888 & 1891	Adjudication decree entered 11/13/41, District Court, Colfax County, Cause No. 7201, Paragraph IX.

	SOURCE	POINT OF DIVERSION	QUANTITY IN ACRE- FEET	ACRES	PLACE OF USE	PURPOSE OF USE	PRIORITY	ADJUDICATION OR SEO FILE NO.
26.	Ponil River, tributary to Cimarron River	See Note 4.	702.0	468.0	350 acres on the north side of Ponil River & 118 acres on south side of Ponil River. Also see Note 5.	Irrigation	1873	Adjudication decree entered 12/20/29, District Court, Colfax County, NM. Cause No. 5054, Paragraph XXVIII. SEO File No. 0378.
27.	Cimarron River	See Note 4.	150.0	100.0	Within acreage described in line 26 above	Irrigation	1883	Same as line 26.
28.	Cimarron River	See Note 4.	150.0	100.0	With acreage described in line 26.	Irrigation	1899	Same as line 26.
29.	Cimarron River & Ponil River	See Note 4.	163 afy of storage (increased to 463 afy, SEO permit 0278, issued 10/24/47)	N/A	French Reservoir	Storage for irrigation	priorities in lines 26, 27 & 28 above	Same as line 26.
30.	Cimarron River & tributaries	Not described	not described	not describ- ed	On lands owned by Maxwell Land Grant Co.	Stock/ Domestic	not described	Adjudication Decree entered 12/20/29, District Court, Colfax County, NM. Cause No. 5054, Paragraph XVII.
31.	Cimarron River	Nash-Stepp Ditch has its headgate on the Cimarron River, at a point whence the corner common to Sections 5, 6, 7 & 8, T26N, R19E bears south 57 deg. 30 min. east a distance of 7400 feet. The South Nash Ditch has its headgate on the Cimarron River, at a point whence the corner common to Sections 5, 6, 7 & 8, T26N, R19E bears south 60 deg. east distance of 4940 feet.	138.3	98.2	Lands described in paragraph XXVI of Cimarron Decree	Irrigation	1875	Adjudication Decree entered 12/20/29, District Court, Colfax County, NM. Cause No. 5054, Paragraph XXVI.
32.	Cimarron River	Old Mill Ditch has its headgate on the Cimarron River, at a point whence the corner common to Sections 5, 6, 7 & 8, T26N, R19E bears south 60 deg. 30 min. west a distance of 2490 feet.	48.0	32.0	Lands described in paragraph XXVI of Cimarron Decree	Irrigation	1864	Same as line 31.

	SOURCE	POINT OF DIVERSION	QUANTITY IN ACRE- FEET	ACRES	PLACE OF USE	PURPOSE OF USE	PRIORITY	ADJUDICATION OR SEO FILE NO.
33.	Cimarron River	Old French Ditch has its headgate on the Cimarron River, at a point whence the corner common to Sections 5, 4, 8 & 9 T26N, R19E bears south 39 deg. east a distance of 1740 feet.	110.25	73.5	Lands described in Paragraph XXVI of Cimarron Decree	Irrigation	1875	Same as line 31.
34.	Cimarron River, Ponil River & Carrisoso Creek	Works of the Antelope Valley Irrigation District	157.5	105	W $\frac{1}{2}$ of NE $\frac{1}{4}$ and N $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 33 and S $\frac{1}{2}$ of SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 36, all in T26N, R21E, NMPM.	Irrigation	1907	Adjudication Decree entered 12/20/29, District Court, Colfax County, NM. Cause No. 5054, Paragraph XXXVII.
35.	Cimarron River	Eagle Nest Reservoir	1000	Not defined	Not Defined	Irrigation	June 12, 1907	Same as line 26, paragraph XXXIV. Under SEO License 71 granted to Charles Springer Cattle Co. The right of Vermejo Park is the same right granted to Waite Phillips by Charles Springer Cattle Company by written indenture dated May 14, 1931, recorded in Book 63, Deed Records of Colfax County, page 13.
36.	Van Bremmer Arroyo, tributary to Vermejo River	Not Defined	234.3 (flood waters)	156.2	Pt. SE $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, Sec. 25; NW $\frac{1}{4}$ Sec. 30, all in T27N, R21E.	irrigation & off channel storage	11/25/40	SEO License 2401
37.	Cimarron River	Nash Stepp or Highline Ditch, which heads in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Sec. 1, T26N, R18E, NMPM.	241.26 (flood waters)	160.84	Parts of Sec. 2, 11 & 12, T26N, R19E, NMPM.	Irrigation 04/01-11/01	07/12/46	SEO License 2570

	SOURCE	POINT OF DIVERSION	QUANTITY IN ACRE- FEET	ACRES	PLACE OF USE	PURPOSE OF USE	PRIORITY	ADJUDICATION OR SEO FILE NO.
38.	Cimarron River	Eagle Nest Reservoir via Nash Stepp or Highline Ditch, which heads in the NE¼SW¼NE¼ of Sec. 1, T26N, R18E, NMPM	85	482.7	Within the lands described in lines 26 & 39	irrigation	1907	SEO Office Permit No. 71C
39.	Costilla Creek	Not defined	Unknown	Some 1230 acres in 1955	Above Costilla Reservoir, in Taos County	Irrigation	Unknown	Article IV(A), Costilla Creek Compact and the Costilla Creek Compact as amended. Also see State v. W.S. Ranch Co., 69 N.M. 169, 364 P.2d 1036 (1961).

UNDERGROUND WATER RIGHTS

SEO PERMIT NO.	DATE APPROVED BY SEO	X COORDINATE (See Note 6)	Y COORDINATE (See Note 6)	PURPOSE OF USE	QUANTITY OF WATER IN AFY
CR-207	4/16/75	310,400	2,080,000	Stock	3
CR-208	4/16/75	269,400	2,101,600	Stock	3
CR-209	4/16/75	335,600	2,140,000	Stock	3
CR-210	4/16/75	321,900	2,107,100	Stock	3
CR-238	7/18/75	326,000	2,128,500	Domestic	3
CR-305	4/9/76	310,000	2,142,000	Domestic	3
CR-471	2/23/78	302,700	2,146,500	Domestic & Stock	See Note 7
CR-471-S	2/23/78	300,800	2,146,800	Domestic & Stock	See Note 7
CR-471-S-2	2/23/78	299,800	2,146,800	Domestic & Stock	See Note 7
CR-471-S-3	2/23/78	298,700	2,147,000	Domestic & Stock	See Note 7
CR-471-S-4	2/23/78	310,700	2,141,200	Domestic & Stock	See Note 7
CR-471-S-5	2/23/78	301,070	2,146,650	Domestic & Stock	See Note 7
CR-477	5/6/77	357,300	2,112,900	Stock	3
CR-478	5/6/77	355,000	2,115,800	Stock	3
CR-1710	4/15/86	258,100	2,144,000	Domestic	3

SEO PERMIT NO.	DATE APPROVED BY SEO	X COORDINATE (See Note 6)	Y COORDINATE (See Note 6)	PURPOSE OF USE	QUANTITY OF WATER IN AFY
CR-1711	2/13/86	372,000	2,110,700	Stock	3
CR-1712	2/13/86	367,800	2,106,000	Stock	3
CR-1713	2/13/86	378,750	2,107,800	Stock	3

Note 1: Map Sheets are from New Mexico State Engineer Vermejo Hydrographic Survey, 1927-1928.

Note 2: Place of use is within the lands described in the Adjudication decree entered November 13, 1941 in District Court of Colfax County, Cause No. 7201, Paragraph 1(a), and generally shown on the Map Sheets contained in the Vermejo Hydrographic Survey.

Note 3: The Vermejo Decree states in paragraph VI(c): "...but that of recent years the point of diversion has been temporarily changed and all the water for the irrigation of said lands above described is now temporarily taken from what is known as the Vermejo Canal or Low Line Canal of the Maxwell Irrigation Company by arrangement with the predecessors of said The Maxwell Irrigation Company."

Note 4: There are six ditches, with the headgate locations described in the Cimarron Decree:

- A. Ditch No. 1 is located at a point on the Cimarron River whence the corner common to Sections 5, 4, 8 & 9, T26N, R19E, NMPM bears south 39 degrees east, 1740 feet.
- B. Ditch No. 2 is located at a point on the outlet of French Reservoir whence the corner common to Sections 3, 2, 10 & 11, T26N, R19E, NMPM bears south 66 degrees, 15 minutes west, 3050 feet.
- C. Ditch No. 3 is located at a point on Ponil Creek whence the corner common to Sections 34, 35, 3, and 2, T26 and 27N, R19E, NMPM bears south 23 degrees, 30 minutes east 2910 feet.
- D. Ditch No. 4 is located at a point on Ponil Creek whence the corner common to Sections 34, 35, 3, and 2, T26 and 27N, R19E, NMPM bears south 21 degrees, 45 minutes east 2950 feet.
- E. Ditch No. 5 is located at a point on Ponil Creek whence the corner common to Sections 2, 1, 11, and 12, T26N, R19E, NMPM bears south 80 degrees west 2010 feet.
- F. Ditch No. 6 is located at a point on the back-water ditch line from Ponil Creek whence the corner common to Sections 7, 8, 18 and 17, T 26 N, R 20 E, NMPM bears north 72 degrees, 45 minutes west 1320 feet.

Note 5: The place of use for the 468 acres is defined in Paragraph XXVIII of the Cimarron Decree being situated in Sections 6, 7, 8, 9, 16 and 17, T26N, R20E, NMPM, and in Sections 1, 2, 11 and 12, T26N, R19E, NMPM within the exterior boundaries of 18 separate tracts, located on either side of the Ponil River, said tracts particularly described in a certain declaration of water right as recorded in the office of the County Clerk of Colfax County on September 12, 1919, in Book S of the Miscellaneous Records at page 588 and also filed in the Office of the State Engineer of New Mexico (SEO File No. 0378) on August 25, 1919.

Note 6: Expressed in feet in the New Mexico Coordinate System, East Zone, within the Maxwell Land Grant.

Note 7: The total amount of water permitted from wells CR-471 et al. is 22.82 AFY.

EXHIBIT B
MINERAL LAND COVERED BY AGREEMENT

That 27,759 acre parcel more particularly described in the Warranty Deed from Kaiser Steel Corporation to National Rifle Association, dated January 28, 1974 and recorded in Colfax County Deed Volume 123 at pages 187 through 195.

EXHIBIT C

HABITABLE STRUCTURES

1. Any and all future improvements thereto and all buildings at the headquarter area;
2. Any and all future improvements thereto and the Castle Rock Lodge;
3. Any and all future improvements thereto and the:
 1. Castle Rock Springs Barn;
 2. Log Bunkhouse; and
 3. Frame Bunkhouse.
4. Any and all future improvements thereto and the Cabin at Mary's Lake;
5. Any and all future improvements thereto and the Cresmer Lodge;
6. Any and all future improvements thereto and the Governor's House;
7. Any and all future improvements thereto and No. 1 Camp;
8. Any and all future improvements thereto and Penaflor site;
9. Any and all future improvements thereto and Costilla Lodge;
10. Any and all future improvements thereto and State Line Camp; and
11. Any and all future improvements thereto and Banning Place.

EXHIBIT "E" EXISTING OIL & GAS FACILITIES

WELLS	A/E	LOCATION	WELL NUMBER	ELEV. (FEET)	CASING DEPTH	NOTES
A	7099961	VN BRMR	3019321K	7641	2085	17 Pumping Units, Casg., Tbq., Rods and Pumps and Misc. in Pipeyard
B	7099962	VN BRMR	3019312E	7780	2272	
C	7099963	VN BRMR	3019302E	7739	2177	
D	7099964	VN BRMR	3018251E	7889	2329	
E	7099965	VN BRMR	3018241M	7831	2325	
F	7099966	VN BRMR	3018252G	7807	2237	
G	7099967	VN BRMR	3019311G	7692	2171	
H	7099968	VN BRMR	3019322D	7638	2088	
I	7099969	VN BRMR	3018253B	7797	2172	
O	7099975	VN BRMR	2919041D	7538	2035	
P	7099976	VALDEZ	2918011D	7992	2546	
Q	7099977	CASTL ROK	31118311M	8568	2033	Pumps, motors, parts and materials/supplies in barn (West of Q Well in C.R.P.)
R	7099978	CASTL ROK	3017021M	8256	1962	
S	7099979	CASTL ROK	3117141G	8146	1113	
T	7099970	VALDEZ	3018351F	8131	2691	
U	7099972	VALDEZ	2918012J	7917	2534	
V	7099973	VALDEZ	2919071C	7813	2370	
W	7099974	CEROSOSO	2918111D	7924	2421	
X	7099982	CAN RVR	3220291I	8058	2379	
Y	7099983	CAN RVR	3219341A	8168	2444	
301J	-----	VN BRMR	3019301J			
CA	7099984	COTNWOOD	3565081	6949	P&A Colorado	
CB	7099985	COTNWOOD	3466351	7222	P&A Colorado	
CC	7099986	COTNWOOD	3567121	7450	1842 Colorado	
90-1	7009962	CASL ROK	3017031F	8512	2130	
90-2	7009963	CASL ROK	3117271G	8710	1993	
90-3	7009964	CASL ROK	3118321H	8593	1987	
91-1	7019961	CASL ROK	3118322F	8684	2140	
91-2	7019962	CASL ROK	3118323N	8617	2169	
91-3	7019963	CASL ROK	3017161H	9139	2861	

NOTE: Well number gives location, i.e., 3019321K reads as Township 30, Range 19, Section 32, Well Number 1 in that Section and located in N.E. Quarter of the S.W. Quarter, or Unit K.

EXHIBIT F**Conditions and Procedures for Oil and Gas Facilities and for Future Wellsite Locations and Schedule of Compliance for Existing Oil and Gas Facilities****1. Facility Locations**

- (a) To the maximum extent feasible, Producer shall follow the natural topography to locate Oil and Gas Facilities and such facilities shall be located away from prominent natural features such as ridges, forest openings, distinctive rock and land forms, vegetative patterns, and stream crossings.
- (b) To the maximum extent feasible, Oil and Gas Facilities shall be located to avoid crossing hills and ridges or silhouetting.
- (c) To the maximum extent feasible, Producer shall use structures of minimal size to satisfy present and future functional requirements.
- (d) To the maximum extent feasible, Producer shall locate Oil and Gas Facilities at the base of slopes to provide a background of topography or natural cover.
- (e) Producer shall replace earth adjacent to water crossings at slopes less than the normal angle of repose with the soil type of the site or as reasonably agreed to by the parties.
- (f) To the maximum extent feasible, Producer shall align roads to follow existing grades and minimize cuts and fills.
- (g) Producer shall make reasonable efforts to conceal Oil and Gas Facilities if requested by Owner.
- (h) Producer shall attempt to avoid locating Oil and Gas Facilities on or adjacent to timber stands that are ecologically important or are first growth timber areas.
- (i) Oil and Gas Facilities (other than fiberglass tanks) shall be painted and repainted from time to time upon the reasonable request of Owner. Owner may select one or two uniform, non-contrasting, non-reflective color tones. Fiberglass tanks shall incorporate a mutually acceptable color of fiberglass.
- (j) Except for rigs located on Wellsite Locations during drilling or reworking operations and except for some vent or exhaust pipes, no Oil and Gas Facility, Improvement or equipment shall exceed 25 feet in height.

2. Operating, Emergency Response and Timber Cutting Plans

As part of the notice required in Section 5.b, Producer shall provide Owner with the following plans for each Oil and Gas Facility:

- (a) An operating plan that provides a general description of the facility identifying purpose, use, typical staffing pattern, seasonal or periodic considerations, routine hours of operating, source of services, infrastructure, and any other information related to regular functioning of such facility.

(b) An emergency response plan that is also approved by the appropriate fire district that includes, but is not limited to, a list of local telephone numbers of public and private entities and individuals to be notified in the event of an emergency, the location of the well, and provisions for access by emergency response entities.

(c) A timber-cutting plan that identifies timber which Producer proposes to cut, is in compliance with U.S. Forestry practices. The amount of timber cut shall be minimized, and all timber cut shall remain the property of Owner.

3. Layout of Equipment

(a) Producer shall consult with Owner with regard to the direction (axis in relation to the well) of the equipment to be installed at each site and, to the extent possible, Producer shall comply with Owner's reasonable requests for the layout of such equipment.

(b) The vent line overhead piping shall not extend beyond the diameter of the tank.

4. Lift Equipment for Production

(a) At such time as artificial lift is necessary to produce the well adequately, Producer shall install and maintain a plunger lift or a low profile rod pumping unit at the wellhead or such other equipment that minimizes visual impairment.

(b) If equipment is used at an Oil and Gas Facility for more than one month, it will be equipped with mufflers or other noise control equipment or materials to minimize noise.

5. Drill Site Fencing and Buffering

At Owner's direction, Producer shall fence all Wellsite Locations and other Oil and Gas Facilities to a standard equal to or better than the fence Owner constructs on the Land for bison control. If Owner requests under this Section, a fence be constructed, then Owner and Producer shall each pay one-half of the cost of such fence, and Producer shall not be required to conceal the fence from view.

6. Schedule of Compliance

Equipment and facilities that are located on the Land as of the date of the Agreement shall be brought into compliance with the requirements of this Agreement within one year from the date of this Agreement.

7. State Rules and Regulations

The requirements in this Exhibit F are in addition to applicable rules and regulations of the Colorado Oil and Gas Conservation Commission and the New Mexico Oil and Gas Conservation Division. In the event of a conflict between this Exhibit and an applicable state rule or regulation, the more stringent requirement shall apply.

EXHIBIT G

Initial Development Area

EXHIBIT H

Primary Exploration Area

CMD : ONGARD 04/02/99 09:00:30
OG6CLOG C105-WELL COMPLETION OR RECOMP CASING LOG OGOMES -TPH2

OGRID Identifier : 17172 PENNZOIL EXPL & PROD CO
Prop Identifier : 23664 VPR CANADIAN RIVER 3120
API Well Identifier : 30 7 20111 Well No : 062
Surface Locn - UL : C Sec : 6 Twp : 31N Range : 20E Lot Idn :
Multiple comp (S/M/C) : N TVD Depth (Feet) : MVD Depth (Feet):
Spud Date P/A Date :
Casing/Linear Record

S Size Grade W
(inches) (

Memo

From

ROY JOHNSON
Sr. Petroleum Geologist

Code

To Mike -

PennzEnergy's NSL -
Vermejo Park Ranch

E0004: No ma

PF01 HELP PF02
PF07 PF08

'IRM

Re: VPR Canadian River 3120 Well No.
062C

U.L.C, Sec 6, T31N, R20E

652 FNL 1717 FWL

API #30-007-2011

VPR Canadian River 3219 Well No. 361J

U.L.J Sec 36, T32N, R19E

1356 FSL, 1395 FEL

API #30-007-2012

When you have time lets
discuss

Ry

ate: 4/2/99 Time: (

CMD : ONGARD 04/02/99 09:00:39
 OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPHZ

OGRID Idn : 17172 API Well No: 30 7 20111 APD Status(A/C/P): A
 Opr Name, Addr: PENNZOIL EXPL & PROD CO Aprvl/Cncl Date : 09-14-1998
 PO BOX 2967
 HOUSTON, TX 77252

Prop Idn: 23664 VPR CANADIAN RIVER 3120 Well No: 62

U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: C	6	31N	20E		FTG 652 F N	FTG 1717 F W
OCD U/L	: C	API County		: 7			

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : F
 Lease typ(F/S/P/N/J/U/I): P Ground Level Elevation : 8040

State Lease No: Multiple Comp (Y/N) : N
 Prpsd Depth : 2300 Prpsd Frmtn : VERMEJO

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

CMD : ONGARD 04/02/99 09:05:30
 OG6CLOG C105-WELL COMPLETION OR RECOMP CASING LOG OGOMES -TPH2

OGRID Identifier : 17172 PENNZOIL EXPL & PROD CO
 Prop Identifier : 23665 VPR CANADIAN RIVER 3219
 API Well Identifier : 30 7 20112 Well No : 361
 Surface Locn - UL : J Sec : 36 Twp : 32N Range : 19E Lot Idn :
 Multiple comp (S/M/C): N TVD Depth (Feet) : MVD Depth (Feet):
 Spud Date : P/A Date :
 Casing/Linear Record:

 S Size Grade Weight Depth(ft) Depth(ft) Hole Size Cement ---- TOC ----
 (inches) (lb/ft) Top-Liner Bot-Liner (inches) (Sacks) (feet) Code

E0004: No matching record found. Enter data to create.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 PF08 PF09 COMMENT PF10 TLOG PF11 PF12

CMD : ONGARD 04/02/99 09:05:35
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPH2

OGRID Idn : 17172 API Well No: 30 7 20112 APD Status(A/C/P): A
Opr Name, Addr: PENNZOIL EXPL & PROD CO Aprvl/Cncl Date : 09-14-1998
PO BOX 2967
HOUSTON, TX 77252

Prop Idn: 23665 VPR CANADIAN RIVER 3219 Well No: 361

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: J	36	32N	19E			FTG 1356 F S	FTG 1395 F E
OCD U/L	: J		API County	: 7				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): P Ground Level Elevation : 8097

State Lease No: Multiple Comp (Y/N) : N
Prpsd Depth : 2300 Prpsd Frmtn : VERMEJO

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

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Monday March 22, 9:01 am Eastern Time

Company Press Release

SOURCE: PennzEnergy Company

PennzEnergy, Sonat Exploration Form Joint Venture; Announce Major Coal Bed Methane Development Project in Raton Basin

HOUSTON, March 22 /PRNewswire/ -- PennzEnergy Company (NYSE: [PZE](#) - [news](#)) and Sonat Exploration Company, a wholly owned subsidiary of Sonat Inc. (NYSE: [SNT](#) - [news](#)), today announced that they have formed a joint venture to develop mineral interests underlain by coal bed methane at the 700,000-acre Vermejo Park Ranch in northeast New Mexico.

Under the terms of the definitive joint venture agreement, Sonat Exploration will pay up to \$10 million in cash and fund a substantial development program to earn a 36-year lease covering part of PennzEnergy's mineral interest in Vermejo Park Ranch and adjacent holdings. PennzEnergy will initially participate with a 25% working interest in the venture, and will increase its working interest incrementally to 50% as the project reaches defined milestones. In addition to its working interest, PennzEnergy will retain a 25% royalty in its lease to Sonat Exploration. Closing of the transaction is subject to certain preferential rights held by the landowner.

"This transaction involving our fee mineral acreage in the Raton Basin allows us to commercialize a significant non-producing asset to generate long-term reserve and production growth," said PennzEnergy president and chief executive officer Stephen D. Chesebro'. "We can accelerate development drilling on acreage holding the potential to significantly increase our reserves, while minimizing our capital exposure and reducing geologic and technical risk. We expect that Vermejo Park Ranch, a long-lived asset, will significantly increase the gas component of PennzEnergy's total production and reserve base."

The venture's acreage position comprises the largest leasehold in the Raton Basin. Chesebro' emphasized that the development project would leave a "minimal footprint" in this scenic area of the western United States.

In 1999, PennzEnergy and Sonat Exploration expect to drill a minimum of 35 wells. Plans call for drilling 80 wells in 2000 and 150 wells each year thereafter. Reserves associated with the joint

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PZE	0	+0
SNT	0	+0

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venture properties are estimated to exceed one trillion cubic feet of coal bed methane. The two companies believe that the business climate in New Mexico is positive for this significant development project.

To accommodate near-term gas sales generated by the development program, Sonat Exploration has agreed to construct at its own expense during 1999 a gathering line north from Vermejo Park Ranch to interconnect with a regional transportation pipeline. Longer-term plans call for Sonat Exploration to arrange for transportation on a newly constructed natural gas pipeline that will connect to the national pipeline grid.

Sonat Exploration has an option to discontinue participation in the joint venture beyond September 1, 2000. However, Sonat Exploration's interest in the project, including any related improvements made, would be assigned to PennzEnergy at no cost.

PennzEnergy Company is among the largest domestic independent exploration and production companies. Operations are focused in the Gulf of Mexico, onshore Gulf Coast, East and West Texas, and, internationally, in Egypt, Venezuela, Azerbaijan, Qatar and Brazil.

Sonat Exploration, headquartered in Houston, is one of the largest independent oil and natural gas producers in the United States.

Headquartered in Birmingham, Ala., Sonat Inc. is a diversified energy company engaged in exploration and production of oil and natural gas, interstate transmission of natural gas, and energy services.

This press release contains forward-looking statements regarding PennzEnergy Company's and Sonat Exploration Company's future plans and expected performance based on assumptions the companies believe to be reasonable. Such statements are made in reliance on the Private Securities Litigation Reform Act of 1995. A number of risks and uncertainties could cause actual results to differ materially from these statements, including, without limitation, fluctuations in the price of crude oil and natural gas, the success rate of the coal bed methane drilling program and the timeliness of development activities, as well as other risk factors described from time to time in the companies' documents and reports filed with the Securities and Exchange Commission.

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